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DAILY FARM NEWS DIGEST
(For May 27, 1947)

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JUN 4 1947

DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 27 -

WORLD FOOD TALKS URGED BY ANDERSON: EMERGENCY COUNCIL APPROVES PLAN FOR MINISTERS TO ACT ON INDIGENOUS SUPPLIES-Washington-Secretary of Agriculture Clinton P. Anderson proposed today that a world conference of Ministers of Food and Agriculture, "looking toward improved management of indigenous food supplies" in cereal import countries be held not later than July. The proposal was approved today by a large majority of the thirty four nation International Emergency Food Council.

The committee will make recommendations on Wednesday as to whether the FAO or the IEFC should call the conference, and whether it should be held in Europe or in this country.

Dennis A. FitzGerald of the United States, Secretary General of the IEFC prefaced his presentation of the conference idea with the long and detailed report on the extreme gravity of the world food situation.

The special policy committee reported that the world food situation was still so grave that the IEFC should be continued beyond the proposed termination date of next Dec. 31 to June 30, 1948.

The committee reported that these five basic commodities were in such short supply that they should continue to be under international allocation; cereals, rice, fats and oils, sugar and nitrogenous fertilizers. Five others were named as likely to need such controls were beans and peas, meat, protein feeds, certain kinds of seeds and potash fertilizer.

Secretary Anderson told the IEFC in a letter that his call for a conference of responsible food ministers had been based on two main considerations.

First, he stated, there is an increasing struggle for United States grain between the "flag areas"--the combined occupied zones of Germany, Japan and southern Korea, for which the United States is directly responsible--and our former Allies, who combines to obtain allocations under the IEFC.

"I must brutally recognize that more and more I have found it necessary to take care of these flag areas," he declared.

LIE ASKS FOOD ACTION-Lake Success-Describing the food situation in war devastated Europe as critical, Trygve Lie, Secretary General of the United Nations, called on the fifty five member nations today to take constructive steps within less than two months to recommend solutions. He asked for action before the fifth session of the Economic and Social Council convenes on July 19 to avert "catastrophe."

The critical food shortage in European countries, which was foreseen in January by a special technical committee on relief needs, is already at hand, according to a still incomplete survey by the Food and Agriculture Organization.

From New York Times, May 27 -

A WORLD FOOD CONFERENCE-Editorial-As a first step toward working out "Continental plans" for Europe and Asia, at least in respect to food, the United States proposes calling a world grain conference by mid July to chart the most effective distribution of world supplies and to improve food management in deficit countries. This proposal, submitted by Secretary of Agriculture Anderson to the International Food Council is a result of the realization that despite the billions spent on relief the food situation is growing worse rather than better, and that a year from now we shall probably face another food crisis even more serious than at present.

The proposal of Secretary Anderson is good as far as it goes, but it is obvious that much more will have to be done than he indicates before the last horseman of the Apocalypse has been routed.

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PASSES POTATO BLAME: SECRETARY ANDERSON SAYS CONGRESS WROTE PRICE SUPPORT PLAN-Washington-C. Anderson, Secretary of Agriculture made public today a letter which he had written to Representative August H. Andresen, Republican, of Minnesota, taking issue with Mr. Andresen's statements in the May 21 Congressional Record on the potato price support program.

The Secretary reminded him that Congress had imposed the program which compels him to buy potatoes. He said that since he himself had presented this whole problem to the House Agriculture Committee, to which Mr. Andresen belonged, he (Andresen) must know that the Secretary of Agriculture was powerless to do what Mr. Andresen demanded, "halt the wanton destruction of potatoes."

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FOOD PRICE DROP PUTS INDEX DOWN-Washington-Prices paid by moderate income families were one tenth of 1 percent lower in mid April than in mid March when an all time high was reached, the Bureau of Labor Statistics reported today. There was a 2 percent increase between Feb. 15 and March 15.

The consumer's price index formerly known as the cost of living index, was 156.1 on April 15, computed with the 1935-39 level as 100, or normal. Retail prices for foods dropped while prices for all other major groups of living essentials advanced during the month.

Food prices in large cities declined 0.8 percent. Clothing prices rose 0.2 percent.

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From New York Journal of Commerce, May 27 -

SUGAR DECONTROL BILL-Representative Gamble of New York has introduced legislation seeking sugar decontrol immediately...The IEFC sees larger sugar production in 1948...Sugar interests urge industrial users to build inventories to guard against contingencies...Beet sugar deliveries were lower in April, indicating the slowdown at the time in demand.

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From St. Paul Pioneer Press, May 20 -

FEDERAL POTATO PROGRAM BACKFIRES - Government destruction helped spud prices to crash levels of \$5 a bushel for old crop potatoes in the Twin Cities Monday.

As a result the federal potato program backfired and consumers and producers began asking for a new deal, which growers said they will try to get in a series of meetings beginning next Monday on a new 1947 program.

As for producers, they and spokesmen for farmers generally showed concern lest necessary and moderate postwar farm price supports become discredited in public opinion by the unpopular combination of high costs and destruction of potatoes. It is feared that the whole long-time program of protecting farmers from future price collapse may be in jeopardy unless a better plan for potatoes is found.

Questions were even raised in farm circles as to whether some Washington officials may not be using the potato program in a way to undermine postwar farm price supports generally. With the farm appropriations issue coming to a head in Congress this week, the consumer resentment against the potato program is said to be placing a potent weapon in the hands of the farm opposition forces in Congress.

The continued destruction of potatoes in the face of high prices is being done on the responsibility of Washington, and against the persistent recommendations of Midwest administrative officials on the ground, it is said.

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From Richmond (Va.) News Leader, May 21 -

CANADIAN POTATOES SOLD HIGH; STATE CROP DESTROYED CHARGES CAFE MEN - Richmond housewives are buying Canadian-grown potatoes at double the price they would be charged for those grown in Virginia because the United States government destroyed a considerable portion of the potato crops in this and neighboring States, O. D. Judd, legislative chairman of the Virginia State Restaurant Association, charged today.

On behalf of the association, Mr. Judd wrote Congressman August H. Andresen, chairman of the House Agriculture Committee, that one Richmond wholesaler alone had received eight carloads of Canadian potatoes since April 16.

Meanwhile the letter adds it reported that "potatoes were destroyed at Toano," a town approximately 40 miles from Richmond.

Local suppliers are quoting a wholesale price of \$4.50 per hundred pound on Canadian potatoes, the letter said.

"We were advised by the Department of Agriculture that the price paid for potatoes so destroyed was \$2.50 per hundredweight," Mr. Judd wrote. "If potatoes were destroyed in Virginia or near by, simple arithmetic would show that the people residing in this section of the country are now paying 100 per cent more for the same commodity due to such destruction."

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From Jersey City, New Jersey Journal, May 21 -

DUMPING POTATOES - Editorial - When so many people are in need of food and when prices are so high that the housewife has to watch every penny as she markets for the family meals, it does seem strange that the government dumps surplus potatoes in the field. The latest potato-dumping took place in Alabama, when the government disposed of over 50 tons of potatoes, giving the reason as a glutted market.

You cannot make the housewife believe that the market is glutted when she has to pay six cents a pound or 51 cents for 10 pounds of potatoes -- a higher price than she has been accustomed to pay. Potatoes have jumped in price to such an extent that the housewife who is forced to count her pennies has shifted to less expensive starch foods. If the government is correct in the statement that the market is glutted, then is it any wonder that the housewife, who has to pay high prices for potatoes, cannot comprehend why the government dumps potatoes in the field and pours kerosene over them to make them unfit for consumption? Even at five cents a pound the government potato-dumping amounted to \$5,000 -- more money than most men make in a year. When a market is glutted with a product the assumption is that the product price is reduced so as to use up the surplus. In the case of potatoes, cheaper prices would bring the potato to more meals daily.

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From Des Moines (Iowa) Tribune, May 20 -

FARM LAND PRICES - Editorial - President Truman is concerned about the rise in farm land values, and has instructed Secretary of Agriculture Anderson to call a national conference on the subject.

Until recently, the inflation in land values has not been such as to cause much trouble. Purchases of farms at rapidly-rising prices have been mostly for cash or a large percentage of cash. Buyers have been able to protect themselves against declines in farm prices, because they weren't piling up heavy debts.

Lately, however, the Department of Agriculture has noted an increasing number of land purchases where the buyer took on a 70-per cent or greater debt, giving a mortgage in return. Loans of this size will be in shaky position after a decline in farm prices.

In 1946 about one-third of the mortgage-financed sales of farm land (one-seventh of all sales) were for loans of 75 per cent or more of the sale price. Three-fourths of the mortgage-financed sales (one-third of all sales) were on mortgages for 50 per cent or more of the sales price.

The danger that many farm families will lose their wartime savings by unwise bidding up of farm land is a real one.

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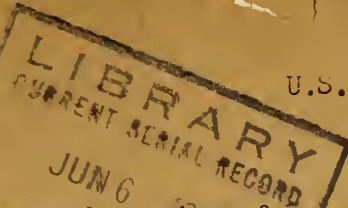
From Great Falls (Mont.) Tribune, May 10 -

AMERICAN FOOD CONSUMPTION - Editorial - Quite a few persons may remember that shortly after the war in Europe ended the department of agriculture issued some warnings to poultry raisers about a possible surplus of eggs in this country. The average consumption of eggs in the United States had risen from the prewar figure of 298 per person per year to 392. The experts figured that Americans were eating so many eggs because they couldn't get enough meat.

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From New York Herald Tribune, May 21, 1947

U.S. BRITAIN ACT ON ZONAL FOOD STRIKES: COLLECTIONS FROM FARMS STEPPED UP BY 'FLYING SQUADS' OF INSPECTORS-Berlin-The military governors of the American and British occupation zones in Germany today urged Germans not to engage in strikes or demonstrations in protest against the food crisis.

"It is useless and childish for those who claim to lead^{or} organize the people to lay the blame for current privations on Allied shoulders," declared a joint statement by General Lucius D. Clay and Air Marshal Sir Sholto Douglas. "They should realize that any such gestures as the relinquishment of their functions or the organization of mass demonstrations, particularly in working hours, cannot have the slightest influence on imports of food."

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U.S. ZONE BANS CIGARETTES AT BARTER MARKET: THEY WILL NOT BE ACCEPTED IN TRADE-Frankfurt AM Main-The United States Army struck another blow at the "cigarette economy" in occupied Germany today by announcing that no cigarettes will be accepted in trade at Army sponsored barter markets after June 1. The order followed by twenty four hours a War Department ban on private importation of cigarettes into American occupied Germany after next Monday.

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POTATO DESTRUCTION ASSAILED IN HOUSE: SURPLUS DISPOSAL ATTACKED, NEEDS OF HUNGRY CITED-Washington-Representative J. Caleb Boggs, Republican, of Delaware said today that the government is destroying potatoes as "surplus" when a retail price of "nearly \$6 a bushel" makes it difficult for "low income people" to buy them.

"This whole business makes my blood boil." Representative Boggs told the House, as he waved two exhibits: 1. A news picture from Foley, Ala., showing kerosene being poured over fifty tons of Alabama grown potatoes because of a glutted market.

2. A grocery stores receipt made out to Representative Boggs showing he had recently purchased ten pounds of white potatoes for 97 cents.

Representative Boggs said that the Administration "is spending the taxpayers' money to destroy the food which hungry peoples need and which many low income people in our own country are having great difficulty in buying."

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U.S. EXPORTS SHOW 15% RISE IN MARCH: SHIPMENTS TO ALL PARTS OF WORLD REPORTED UP-Washington-Increased shipments to all parts of the world marked the 15 percent rise in March exports to a total of \$1,327,300,000 the Commerce Department reported today.

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From New York Herald Tribune, May 21 -

... ASK PACKERS FOR 15-CENT RISE-Chicago-The Congress of Industrial Organizations United Packinghouse Workers today notified six leading meat packers of reopening of contracts with the aim of obtaining a 15 cents an hour wage increase for 80,000 workers.

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From N.Y. Journal of Commerce, May 21 -

SUGAR CONTROL END SOUGHT IN SENATE: SENATORS INTRODUCE BILL TO DISCONTINUE RATIONING IMMEDIATELY-Washington-Senators McCarthy (Rep. Wis.) and Bricker (Rep. Ohio) today introduced legislation to end sugar rationing immediately.

"I am confident Congress will pass this," McCarthy told reporters. "There is already such a surplus of sugar that it is now backing up in warehouses." McCarthy said he will ask the Senate Banking Committee for an immediate hearing.

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CANNED FOOD SHIPMENTS-March showed a continued downward trend in canned food shipments, the Census Bureau reports. On a per diem basis, they were down 14 percent from February and $7\frac{1}{2}$ percent below the 1944-45 average. Cumulative shipments from Jan. 1 were 20 percent below last year. Production, while up for the month, is running behind a year ago also.

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GRAIN ADVANCE-Wheat and corn futures register advances of 5 cents or more per bushel with a broad volume of buying and short covering influenced by absence of May contract tender, export needs, and rust talk from the Southwest. Bullish sentiment is furthered by reports of Government grain and flour purchases, mill buying of wheat against flour export sales, and further unwanted grains over considerable portions of the grain belt.

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CONSUMERS CHIDED ON PRICE DEMANDS-Pittsburgh-Despite real earnings that are 50 percent higher than those in the mid twenties, consumers expect sharply lowered prices. Martin Gainesbrugh, chief economist of the National Industrial Conference Board, today told the Midwestern spring conference at the Controllers Institute of America.

Various local experiments made by retailers disclose that shoppers expect cuts ranging as deep as 25 to 30 percent, he said.

"Although consumers recognize in many instances that the prices of their labor services to the economy have gone up, they still compare the cost of today's car with that of 1941, or of today's shirt at \$3.95 with its counterpart of \$1.60 prewar", he said.

"Yet few consumers would be willing to accept their income status of 1939 as desirable; few distributors or manufacturers would prefer the business environment of 1939 to that of today."

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from La Crosse (Wis.) Tribune, May 12 -

SCHOOL PUPILS STUDY EROSION; VISIT COUNTY FARMS WITH SOILS EXPERTS - A large number of the upper grade pupils of the La Crosse county rural schools and their teachers took advantage of studying soil conservation in the field the past week. Arrangements had been made through the cooperation of the county soil conservation service, county extension office and the county superintendent of schools for these grades to meet at one of five places for "on the field instruction."

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From Springfield (Mass.) Union, May 15 -

MORE SUGAR - Editorial - First repercussion from Washington from the better sugar outlook was to validate the second sugar stamp Spare No. 12 good for 10 pounds, on June 1 instead of July 1 as originally scheduled. The idea is to deplete warehouse supplies in readiness for future crops when box cars are still available.

Moreover, third-quarter allotments for industrial sugar were advanced from June 10 to June 1. Naturally, there are demands in Congress for an end to all sugar controls, scheduled to expire Oct. 31 in any event. Department of Agriculture spokesmen believe, however, that despite better prospects from the Cuban crop, it would be wise to wait another month to see what effect rains may have on the world yield.

Congress will be in position to evaluate the prospective supply situation for 1948 and decide what further action may be necessary. It wants to avoid a speculative orgy that will raise prices and snatch sugar off our dinner tables. We should like to see controls removed if that is possible, but there are many factors involved.

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From Waterloo (Iowa) Courier, May 11 -

FARMERS GETTING RICH ON SUBSIDIES? - Editorial - Sen. Milton R. Young of North Dakota said last week that, "I have been greatly concerned and alarmed at all the adverse publicity agriculture has been receiving in the past months. . . . Through this publicity, the consumer is led to believe that our government is using the United States treasury, in a big way, to raise farm prices, at a time when a drive is being made to reduce industrial prices. . . ."

The farmer, certainly, is prosperous today and has received as much of an increase in his annual net income as other groups in the population. He is receiving his share of the increased cost of food along with others who handle his product on the way to the consumer. But these high prices are not of his choosing, as the support level proves, and they are largely beyond his control. It would be extremely unfortunate for farmers and the nation as a whole if these food prices caused the general public to oppose long-range governmental farm programs out of a mistaken notion that they are the cause of this current inflation.

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From Philadelphia (Pa.) Bulletin, May 16 -

SOUND CROP INSURANCE - Editorial - Efforts to work out a practical scheme for insuring farm crops are being revived, after failure of the system in effect for nearly ten years. Cost to date has been about \$110,000,000.

In an effort to cut down losses, the House Agriculture Committee has decided that the 1948 program should be limited to experiments devoted to finding a plan financially sound and at the same time attractive to farmers.

The ideal arrangement would be one that would attract private insurance companies with rates that farmers could afford to pay. So far nothing of the sort has been devised.

Weather and pest hazards make crop growing a greater gamble than insurance companies want to take at low premium rates. The House Committee has in mind experimentation that would allow private companies to underwrite part of the program, with government reinsurance to guard them against excessive losses.

Crop insurance is a sort of Utopian idea, and is a broad field for further experiment, particularly in view of experiences with one version of it during nearly a decade.

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From Minneapolis (Minn.) Tribune, May 13 -

RISING LAND VALUES - Editorial - As the nation's farmers become aware of the fact that the years of good prices for their farm products may be numbered, there is growing concern over the sharp increases in the value of farm land.

The Department of Agriculture reports that farm land prices went up another 13 per cent in the year ended March 1, bringing the average market values for such land to a point 93 per cent above the 1935-39 average.

Average farm land values for the United States as a whole now are only 6 per cent below the peak of 1920. In 24 states, farm land was selling at more than 1920 level last year.

There are many reasons for the increased prices, of course. Big city incomes have been responsible for some of the increase. High farm product prices have contributed, both through the ability of farmers to buy and through the needs of many for additional land. And easy credit in recent years has had some effect, too.

The national situation is not good. Some of the sharpest increases in land values have occurred in states where the land does not justify the present high level of prices.

It is significant that farmers in the Upper Midwest, who were burned badly in the collapse of land values in 1921 and succeeding years, have not been taken in this time. True, land values in this region have gone up, too. But it was in this area that land values dropped most sharply. There is some justification for the rise, therefore, because it means that land values now are closer to true worth.

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2 DAILY FARM NEWS DIGEST
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From New York Journal of Commerce, May 1 -

FOOD JOBBERS TRIM PRICES IN BID FOR VOLUME-Moving to meet the competitive challenge of mass distribution, wholesale grocers in many parts of the country are discarding former OPA mark-up levels and returning to prewar competitive pricing policies.

Reports in industry circles indicate that wholesale grocers, under increasing pressure from their retailer customers, and stimulated by favorable consumer reaction to chain price cuts, are reexamining pricing policies with a view to protecting the position of independent food retailers.

The effect of this change in profit margins at the wholesale level, it was said in informed trade quarters, would be a lower unit profit. This will be offset to varying degrees by improved volume, and is preferable to a continued "stand pat" policy which would impair consumer goodwill and might lead to later disastrous inventory losses, it was explained.

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DRESS HOUSE TO SELL ITS FALL LINE AT COST-St. Louis-Carl Glaser, St. Louis dress manufacturer, said today that his concern, as its contribution in the fight to hold down consumer prices, would sell its entire new fall line to retailers at cost.

He said 2,000 retail stores in the United States, Canada, Mexico and Hawaii will handle his product.

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RECESSION PERIL SEEN IN TRUMAN PRICE DRIVE-Washington-The United States Chamber of Commerce was warned today that the Administration's campaign for lower prices carries the danger of bringing about the recession it seeks to avoid.

The guarded warning was voiced by the chairman of the chamber's Domestic Distribution Committee, William S. Street, at the day's session of the annual meeting.

Mr. Street told the delegates that the President's appeal might result in wholesale cancellation of commitments by business and consumers.

Mr. Truman had renewed his pleas yesterday in a message delivered at the chamber's opening session, and the chamber had replied in the afternoon with a conditional resolution tying price cuts to lower costs.

Mr. Street pointed out that while the spotlight was on business, responsibility for averting a recession must be shared by Government, labor and agriculture.

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MIXED OUTLOOK ON EGGS-While poultry and egg prices are at record levels and will remain generally unchanged through June, prospects later this year are mixed, according to BAE. While supplies are lighter, a business recession would bring a sharp curtailment of demand, in addition to that fostered by larger supplies of meats at lower prices.

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From N. Y. Journal of Commerce, May 1 -

WANT SUGAR MOVED-To relieve the glut of sugar at refineries and among importers of Cuban refined, recommendations have been made to the Department of Agriculture to issue another sugar stamp to consumers for immediate use and make available another 20 percent to industrial users for this quarter. Some observers believe also that a shut off date on present industrial certificate should be announced to expedite use of ration bank evidence, some of which is being held possibly for speculative use in a free market, it is believed.

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NUTRITION RESEARCH ADVANCES LAUDED-Chicago-An increased degree of insurance of health for the citizen, progress in agricultural science in producing raw food materials and the production of better foods by the food industry have all been advanced through research in the science of nutrition sponsored by the Nutrition Foundation, George A. Sloan, president, stated here today at a meeting which marked the beginning of the second five year cycle of the foundation.

A five year report of the work of the foundation, prepared by Dr. Charles Glen King, scientific director of the foundation, was made public.

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RICE TO APPEAL FINDING IN RYE CORNER CASE-Chicago-Daniel F. Rice & Co. yesterday issued the following statement:

The findings of the Department of Agriculture against Daniel F. Rice and Daniel F. Rice & Co. will be carried to the Circuit Court of Appeals and a request filed for a stay of the Government action. This will delay any action for many months, and we are confident that the final outcome will show the charges and findings of the Government to be unwarranted and unjustified.

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From N.Y. Herald Tribune, May 1 -

2 MORE TOWNS IN EAST TO TEST 10% RETAIL CUTS-The fight against inflation was joined yesterday by two Eastern communities with 20,000 inhabitants each. Ansonia, Conn., will try out for ten days, beginning today, the Newburyport plan of a 10 percent across the board retail price slash. Gardner, Mass., said it would try the plan for eight days beginning tomorrow.

The Newburyport plan found a backer on New York's Fifth Avenue yesterday. Plummer, Ltd., of 734 Fifth Avenue, retailer of china and glassware, announced that it would reduce all prices 10 percent. The store said the permanence of the reduction would depend upon manufacturers making a similar move.

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From Denver (Colo.) Post, Apr. 26 -

UNSTABLE FARM PRICES FEARED - Farmers face a more uncertain price future than at any time since the depression thirties, Lee Pritchard, master of the Colorado State Grange, said in Denver Wednesday on his return from Washington D. C., where he attended the spring meeting of the National Grange executive committee.

Pritchard discussed the situation with President Truman, but said the chief executive's remarks were "off the record."

"Everywhere," Pritchard said, "I found apprehension that price troubles lie ahead of us. Some think that the greatest danger lies in the threat of inflation, while others look for a depression."

Most Washington officials, Pritchard said believe that organized labor's insistent demand for higher wages, backed by threats of nationwide strikes, may force still higher prices for a time.

"But," he said, "the higher wages, prices and costs go now the more certain we are to run headon into a depression that would again force millions of workers out of jobs."

He believes farm prices have just about reached their peak, and may even be weakening because high costs of manufactured goods are taking more and more of the consumer's pay check.

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From Raleigh (N.C.) News and Observer, Apr. 26 -

COOLEY CRITICAL OF TOBACCO JOB - Washington - Rep. Harold D. Cooley (D-N.C.) member of the House Agricultural Committee, charged today that the Agriculture Department and the State Department had done a poor job of keeping American tobacco authorities informed of the United Kingdom's plans to cut down on its tobacco imports from the United States.

He particularly blamed the Agriculture Department's office of foreign agricultural relations and the State Department's economic observers in England.

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From Chicago Sun, Apr. 25 -

POLICY FOR AGRICULTURE TIED TO SOCIAL STABILITY URGED - Advocating the formation of a national policy for agriculture, Congressman Clifford R. Hope, (Rep., Kan.) yesterday stated that only through "a sound and prosperous agriculture" can social and political stability be maintained.

Speaking before the regular meeting of the National Industrial Conference Board Hope outlined seven points which such a program should embrace.

1. Abundant and uninterrupted production. 2. Assurances of material rewards to farmers. 3. Increased attention to nutrition. 4. World commodity agreements to expand exports. 5. Stabilization of farm prices. 6. Soil conservation. 7. Improved rural housing conditions.

"Our agricultural economy is inextricably tied in with our general economy," Hope said, adding that because of its dependence on foreign trade "it will be substantially influenced by our international policy."

He said "the farmer is justified in asking that if he fulfills his obligations to the nation, he shall be given a measure of protection against those shocks resulting in depriving him not only of his livelihood but, in many cases, of his capital investment as well. He is justified also in asking that our national policies be such as to make it possible for those engaged in this most vital industry to receive at all times material rewards commensurate with those received by others making similar or equal contributions to the national economy."

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From Dayton (Ohio) News, Apr. 27 -

HUMAN PARITY - Editorial - No economic formula the government has ever tried to apply has caused more difficulty and more politics than the formula of "parity" for farm prices. Based on an involved computation of the relationship of farm income to the income of other groups in 1919, parity has been a factor in every farm bill the Congress has passed in the last generation.

By the time the price support program expires in December, 1948, the government will be forced to consider what kind of parity policy will best suit periods of both prosperity and recession. And even the Republicans on the House Agriculture committee agree that Secretary Anderson's proposal of a "floor under consumption" looks like a good substitute for the "floor under prices" we now have.

We have never had over-production on agricultural commodities except as it affected farm prices and was itself affected by our tariff policies.

A wise farm policy would ensure human parity while supporting prices for farm products.

Mr. Anderson's proposal would require the government's support at the consumer's end, by means of coupons he could use as cash to buy his food in a period of low incomes. Such a plan would correct the faulty distribution which has helped to make for over production on the farmer's part.

To complete the safeguards of the farmer's prices, we should require greater and greater extension of our reciprocal trade policies, as the secretary of agriculture also observes. If we go back to high tariffs on our industrial imports and the farmer's market abroad is cut off, even the guaranteed American consumption could not support farm prices at the level Mr. Anderson advocates.

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From Los Angeles Times, Apr. 23 -

MR. TRUMAN AND PRICES AGAIN - Editorial - In his speech to the Associated Press luncheon in New York President Truman again indulged in the truths, the half truths and the whole fallacies of New Deal economics.

He was right in saying that prices should come down wherever possible, right in declaring that there is a dangerous inflationary trend, right in calling for full production as our best remedy against inflation. He was wrong in attempting to lay most of the blame on business -- as he did in part by using average increases in profits since 1945.

He was wrong in not confessing the government's part in inflation, and his attempt to alibi government responsibility for high food prices is as leaky as a sieve.

It is not true that government support prices have not helped to put food up. They have. It is true that wheat is currently selling around \$2.50 a bushel and has been higher, whereas the support price is \$1.82. But when the wheat raiser is enabled, through government guarantee, to borrow up to 90 per cent of the support price, or approximately \$1.64 a bushel, he can hold his wheat instead of marketing it and gamble on getting more than the additional money the present market affords, without much risk.

That this creates an artificial scarcity which boosts prices ought to be plain even to Mr. Truman.

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The guarded warning was voiced by the chairman of the chamber's Domestic Distribution Committee, William S. Street, at the day's session of the annual meeting.

Mr. Street told the delegates that the President's appeal might result in wholesale cancellation of commitments by business and consumers.

Mr. Truman had renewed his pleas yesterday in a message delivered at the chamber's opening session, and the chamber had replied in the afternoon with a conditional resolution tying price cuts to lower costs.

Mr. Street pointed out that while the spotlight was on business, responsibility for averting a recession must be shared by Government, labor and agriculture.

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MIXED OUTLOOK ON EGGS-While poultry and egg prices are at record levels and will remain generally unchanged through June, prospects later this year are mixed, according to BAE. While supplies are lighter, a business recession would bring a sharp curtailment of demand, in addition to that fostered by larger supplies of meats at lower prices.

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From N. Y. Journal of Commerce, May 1 -

WANT SUGAR MOVED-To relieve the glut of sugar at refineries and among importers of Cuban refined, recommendations have been made to the Department of Agriculture to issue another sugar stamp to consumers for immediate use and make available another 20 percent to industrial users for this quarter. Some observers believe also that a shut off date on present industrial certificate should be announced to expedite use of ration bank evidence, some of which is being held possibly for speculative use in a free market, it is believed.

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NUTRITION RESEARCH ADVANCES LAUDED-Chicago-An increased degree of insurance of health for the citizen, progress in agricultural science in producing raw food materials and the production of better foods by the food industry have all been advanced through research in the science of nutrition sponsored by the Nutrition Foundation, George A. Sloan, president, stated here today at a meeting which marked the beginning of the second five year cycle of the foundation.

A five year report of the work of the foundation, prepared by Dr. Charles Glen King, scientific director of the foundation, was made public.

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RICE TO APPEAL FINDING IN RYE CORNER CASE-Chicago-Daniel F. Rice & Co. yesterday issued the following statement:

The findings of the Department of Agriculture against Daniel F. Rice and Daniel F. Rice & Co. will be carried to the Circuit Court of Appeals and a request filed for a stay of the Government action. This will delay any action for many months, and we are confident that the final outcome will show the charges and findings of the Government to be unwarranted and unjustified.

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From N.Y. Herald Tribune, May 1 -

2 MORE TOWNS IN EAST TO TEST 10% RETAIL CUTS-The fight against inflation was joined yesterday by two Eastern communities with 20,000 inhabitants each. Ansonia, Conn., will try out for ten days, beginning today, the Newburyport plan of a 10 percent across the board retail price slash. Gardner, Mass., said it would try the plan for eight days beginning tomorrow.

The Newburyport plan found a backer on New York's Fifth Avenue yesterday. Plummer, Ltd., of 734 Fifth Avenue, retailer of china and glassware, announced that it would reduce all prices 10 percent. The store said the permanence of the reduction would depend upon manufacturers making a similar move.

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From Denver (Colo.) Post, Apr. 26 -

UNSTABLE FARM PRICES FEARED - Farmers face a more uncertain price future than at any time since the depression thirties, Lee Pritchard, master of the Colorado State Grange, said in Denver Wednesday on his return from Washington D. C., where he attended the spring meeting of the National Grange executive committee.

Pritchard discussed the situation with President Truman, but said the chief executive's remarks were "off the record."

"Everywhere," Pritchard said, "I found apprehension that price troubles lie ahead of us. Some think that the greatest danger lies in the threat of inflation, while others look for a depression."

Most Washington officials, Pritchard said believe that organized labor's insistent demand for higher wages, backed by threats of nationwide strikes, may force still higher prices for a time.

"But," he said, "the higher wages, prices and costs go now the more certain we are to run headon into a depression that would again force millions of workers out of jobs."

He believes farm prices have just about reached their peak, and may even be weakening because high costs of manufactured goods are taking more and more of the consumer's pay check.

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From Raleigh (N.C.) News and Observer, Apr. 26 -

COOLEY CRITICAL OF TOBACCO JOB - Washington - Rep. Harold D. Cooley (D-N.C.) member of the House Agricultural Committee, charged today that the Agriculture Department and the State Department had done a poor job of keeping American tobacco authorities informed of the United Kingdom's plans to cut down on its tobacco imports from the United States.

He particularly blamed the Agriculture Department's office of foreign agricultural relations and the State Department's economic observers in England.

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From Chicago Sun, Apr. 25 -

POLICY FOR AGRICULTURE TIED TO SOCIAL STABILITY URGED - Advocating the formation of a national policy for agriculture, Congressman Clifford R. Hope, (Rep., Kan.) yesterday stated that only through "a sound and prosperous agriculture" can social and political stability be maintained.

Speaking before the regular meeting of the National Industrial Conference Board Hope outlined seven points which such a program should embrace.

1. Abundant and uninterrupted production. 2. Assurances of material rewards to farmers. 3. Increased attention to nutrition. 4. World commodity agreements to expand exports. 5. Stabilization of farm prices. 6. Soil conservation. 7. Improved rural housing conditions.

"Our agricultural economy is inextricably tied in with our general economy," Hope said, adding that because of its dependence on foreign trade "it will be substantially influenced by our international policy."

He said "the farmer is justified in asking that if he fulfills his obligations to the nation, he shall be given a measure of protection against those shocks resulting in depriving him not only of his livelihood but, in many cases, of his capital investment as well. He is justified also in asking that our national policies be such as to make it possible for those engaged in this most vital industry to receive at all times material rewards commensurate with those received by others making similar or equal contributions to the national economy."

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From Dayton (Ohio) News, Apr. 27 -

HUMAN PARITY - Editorial - No economic formula the government has ever tried to apply has caused more difficulty and more politics than the formula of "parity" for farm prices. Based on an involved computation of the relationship of farm income to the income of other groups in 1919, parity has been a factor in every farm bill the Congress has passed in the last generation.

By the time the price support program expires in December, 1948, the government will be forced to consider what kind of parity policy will best suit periods of both prosperity and recession. And even the Republicans on the House Agriculture committee agree that Secretary Anderson's proposal of a "floor under consumption" looks like a good substitute for the "floor under prices" we now have.

We have never had over-production on agricultural commodities except as it affected farm prices and was itself affected by our tariff policies.

A wise farm policy would ensure human parity while supporting prices for farm products.

Mr. Anderson's proposal would require the government's support at the consumer's end; by means of coupons he could use as cash to buy his food in a period of low incomes. Such a plan would correct the faulty distribution which has helped to make for over production on the farmer's part.

To complete the safeguards of the farmer's prices, we should require greater and greater extension of our reciprocal trade policies, as the secretary of agriculture also observes. If we go back to high tariffs on our industrial imports and the farmer's market abroad is cut off, even the guaranteed American consumption could not support farm prices at the level Mr. Anderson advocates.

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From Los Angeles Times, Apr. 23 -

MR. TRUMAN AND PRICES AGAIN - Editorial - In his speech to the Associated Press luncheon in New York President Truman again indulged in the truths, the half truths and the whole fallacies of New Deal economics.

He was right in saying that prices should come down wherever possible, right in declaring that there is a dangerous inflationary trend, right in calling for full production as our best remedy against inflation. He was wrong in attempting to lay most of the blame on business -- as he did in part by using average increases in profits since 1945.

He was wrong in not confessing the government's part in inflation, and his attempt to alibi government responsibility for high food prices is as leaky as a sieve.

It is not true that government support prices have not helped to put food up. They have. It is true that wheat is currently selling around \$2.50 a bushel and has been higher, whereas the support price is \$1.82. But when the wheat raiser is enabled, through government guarantee, to borrow up to 90 per cent of the support price, or approximately \$1.64 a bushel, he can hold his wheat instead of marketing it and gamble on getting more than the additional money the present market affords, without much risk.

That this creates an artificial scarcity which boosts prices ought to be plain even to Mr. Truman.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414 A. Phone Gene Harrison at 6031.)

From New York Times, May 2 -

NEW U. S. WOOL FEE SNAGS TRADE TALKS; AMERICANS IN GENEVA HELPLESS UNTIL TAX ISSUE IS CLARIFIED - Geneva - Little progress on the negotiation of new trade agreements can be made at the Geneva Trade Conference until the United States position on its wool tariff becomes clarified.

The issue posed by a Congressional committee's action in approving a new 50 per cent fee on the import of wool has assumed an importance out of all proportion to the economic importance of the wool trade itself.

SULLIVAN BLAMES INDUSTRY FOR PRICES - Washington - A Democratic National Committee statement that President Truman was directing a concentrated publicity campaign through Cabinet officers "to put the heat on basic manufacturers as the real culprits" behind prices boomeranged today in a flood of telephone calls to the White House and committee headquarters.

The statement was contained in the first issue of Capital Comment, a news letter sent to all county committeemen by Gael Sullivan, Democratic national director.

COMMODITY PRICES AVERAGE .3% DROP; COTTON, EGGS, FRUIT, VEGETABLES RISE AS LIVESTOCK, GRAINS, BUTTER, CHEESE DECLINE - Washington - Declines in eight of ten major commodity groups lowered average primary market prices 1.3 per cent during the week ended April 26, according to the Bureau of Labor Statistics of the Department of Labor.

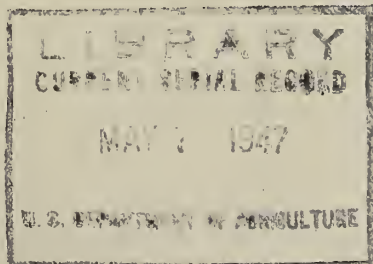
The Bureau's index of commodity prices in primary markets dropped to 146.8 per cent of the 1926 average, 1.7 per cent below the peak of late March and 33.9 per cent above a year earlier.

Average market prices of farm products rose 1.3 per cent during the week.

The decline of 1.2 per cent in the group index for foods was the result of lower prices for most types of foods except fresh fruits and vegetables. Liberal supplies were reflected in further price declines for butter and cheese.

From New York Wall Street Journal, May 2 -

BUTTER SHORTAGE NEXT FALL IS FORESEEN - Because of Truman's price-cutting talk, Anderson put on ice his plan to peg butter prices. This would have guaranteed profits next fall, when production drops, and sent some of the dairy product into storage. Most present output goes right on the market.



From New York Wall Street Journal, May 2 -

GOVERNMENT MAY DECIDE IN JUNE ON RENEWAL OF SUGAR FUTURES TRADING -

Washington - Government objections to resumption of sugar trading on the New York Coffee and Sugar Exchange may be lifted by early June. This was learned last night after a meeting between a special committee of the Exchange and top sugar officials of the Agriculture Department. The meeting was called to discuss problems involved in resuming sugar trading, suspended when controls were imposed on sugar early in the war.

The Exchange would like to start trading in futures contracts in sugar on July 1.

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From New York Journal of Commerce, May 2 -

ECONOMIST SEES FOOD PRICES FALLING - Chicago - All signs point to a return of low-priced food, a clogging of marketing channels and relatively low farm income, Prof. Theodore Schultz, head of the economics department at the University of Chicago, said today.

Professor Schultz, who has served on various national and international food advisory committees, said in an interview that while no one can foretell the time table on farm prices, "I believe that a fairly drastic transition lies ahead."

Asserting that prices are "exceeding high" now, the agricultural economics expert added that they are not being kept up by the Government's price support program, "contrary to the belief of some urban people."

The Chicago professor added that "reducing our exports of cereals and other foods would bring prices down, but I doubt the wisdom of taking this step in view of the critical food situation in so many parts of the world."

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DOUBTS TURPENTINE PRICE SUPPORT - Although gum turpentine declined for the third successive day at Savannah yesterday to a new low of 69 3/4 c per gallon and nearly 36c below March parity, it is not likely that the Government will step in to support crude gum turpentine prices under its agricultural price support program.

Dealers are not pressing for it as recent rises have been too high for healthy volume consumption. Observers do feel, however, that the price drop will be overdone on the down side just as it was on the up side a few months ago.

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URGES COTTON MANUFACTURERS TO PREPARE FOR COMPETITION - Augusta, Ga. - Cotton mills must develop export markets, guard against competition at home and find new uses for their products if the present high rate of output is to be maintained or increased, Dr. William F. Jacobs, president, stated here today at the opening session of the American Cotton Manufacturers Association's annual convention.

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From Cleveland (Ohio) News, Apr. 26 -

NEWBURYPORT BUNKUM - The happy citizens of Newburyport, Massachusetts, had better have a good time while their price-cutting binge lasts.

The mournful morning of awakening is coming, and the dejection of the hangover. It won't be nice.

The Newburyport plan sounds terrific. But it isn't going to sweep the nation. Nor can it exert any real pressure on the economic situation.

A clever promotional scheme has put the name of the little New England town on the front pages. That's about all that will come of the hippodrome. It isn't that easy to iron out the kinks in our system without pain or toil.

Secretary Clinton Anderson's Agriculture Department kicked the Newburyport theory into a cocked hat about the same time the White House, which should know better and maybe does was cheering the idea on.

The Newburyport plan assumes that prices are set at the retail level. Actually they're fixed by an intricate relationship of purchasing power, production and employment.

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From Denver (Colo) Post, Apr. 26 -

FEW DENVER GROCERS JOIN PRICE-CUT MOVE - Denver grocers in scattered instances Saturday were joining the swing to the so-called "Newburyport plan" and making 10 per cent cuts in some prices. But a majority said, in their opinion, the reported possibility of general price cuts were false and that prices actually had decreased on only a few items -- notably on smoked meats, butter, lard and soap.

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From Newark (N.J.) News, Apr. 26 -

OPPOSE U. S. MILK CONTROL; DAIRYMEN IN MEETING AT SYRACUSE FOR REGIONAL REGULATION SYSTEM - Syracuse - Federal supervision of the milk industry is no longer desirable and should be replaced by a system of regional regulation.

Dairyman representing 90 per cent of the farmers who produce milk for New York and New Jersey metropolitan area reached that decision yesterday at an emergency meeting called to discuss the milk price situation. Delegates from farmers' associations of New York, New Jersey, Pennsylvania, Vermont and Massachusetts were on hand.

The dairymen have been charging that Secretary of Agriculture Anderson put them in a double squeeze by setting the farm price of May milk for the metropolitan area at \$4.14 a 100 pounds compared with the current price of \$4.58. They say they face financial hardship if forced to absorb a third 44-cent reduction without a compensating decline in costs. The reduction will mean a 1-cent cut in the quart price of milk.

It was reported that attempts of dairymen to negotiate premium payment plans with individual milk distributors have brought threats of federal prosecution under the anti-trust laws.

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From Columbus (Ohio) Citizen, Apr. 26 -

THE "WOOL GRAB" - Washington - A White House veto for the "wool grab" bill being shepherded through Congress by the "do-something-for-wool" bloc was indicated clearly today.

President Truman, who has urged a downward swing to avert a possible business recession, said flatly at a news conference that he opposed Government support for any farm products above the so-called 90-per-cent-of-parity formula.

The wool price-support bill, according to opponents, means Government support at more than 100 per cent of parity, and would raise the price of woollen goods to United States consumers by millions of dollars.

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From Fort Worth (Tex.) Star-Telegram, Apr. 24 -

HIGH PRICES NOT DUE TO FARM SUPPORT - Editorial - Recent statements branding government price supports for farm products as the cause of present high food prices and as an effective bar to their decline are considerably wide of the mark. It is true that farm products have led the general parade of prices upward, rising nearly 180 per cent since 1939, and that higher food prices have accounted for approximately 70 per cent of the increase in living costs that has occurred since that time. But it is not equally true that government supports either pushed farm prices to their current high level or now are maintaining them there. Neither is it true that there is no room for a drop in the price of most farm products before the government would have to step in with payments to bolster the market.

By operation of the parity formula, farm prices could join in a general price retreat to lower levels without damage to the farmer's relative purchasing power. But a sharp drop in farm prices along could precipitate a general business recession, as a temporary collapse in the price of wheat was credited with doing in 1924. The need to call a halt to inflation is for orderly price decreases all along the line -- in farm products, in manufactured goods, and in high costs of government, which themselves are a main factor in the equation of high prices.

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From Indianapolis (Ind.) Star, Apr. 26 -

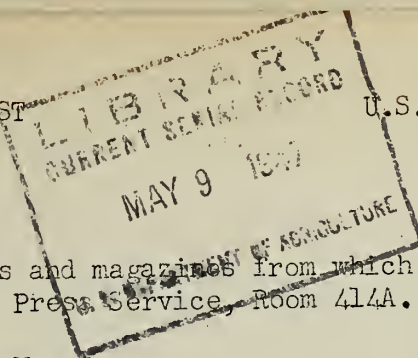
PRICES WILL BE LOWER, IF-- Editorial - Are prices going to come down? Most Americans think they will be lower within the next six months, according to today's Gallup Poll. If they are, it will be the result of just one thing -- production. Increased and steady production is the only real answer to price rises. And the only way to get higher production is for everybody in the country to stay on the job and work hard. That means labor, management, farmers, everybody.

Food prices, too, depend on production. Our farmers are still producing record crops with the wheat harvest, harvests expected to bring in as much as 1,200,000,000 bushels. Production abroad is also expected to increase. If European and Asiatic harvests are good, much of the drain on our production will be lowered and lower food prices will result here. Already wholesale prices on about 30 food products have decreased from their all-time highs for three weeks in a row. This may be the turning point in many food products and could mean lower prices soon for all of us.

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U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.



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From New York Times, May 5 -

CORPORATION HEADS URGE PRICE CUTTING TO AVERT A SLUMP: GROUP OF 23 CALLS ON INDUSTRY AND BUSINESS NOW TO ELERT 'ECONOMIC STATESMANSHIP'--Washington--A group of industrialists and business men called on industry today to show "economic statesmanship" in revising the price structure downward and thus save the country from a serious slump.

The group of twenty-three men, a cross section of heavy industry, fabricators and retail merchandisers, declared that responsibility for leadership out of the price situation was "squarely up to business men."

In a statement issued through the National Planning Association they warned against "altogether too many instances of dangerous pricing practices" and methods which "undercut" the economy.

Among signers of the statement were Charles E. Wilson, president of the General Electric Company; S. K. Colby, vice president of the Aluminum Co. of America; Beardsley Ruml, chairman of the board of R. H. Macy & Co., and S. C. Allyn, president of the National Cash Register Company.

In a bulletin, the Department of Agriculture said that there was no sign yet of a marked decline in farm products, although some leveling was possible. It did not look for any important change in the "relatively high" prices until uncertain factors in 1947 prospective crops are eliminated.

PRICE CUT DRIVES SEEN AS FAILURES: DEALERS FACE NEED TO RESTOCK AT FULL COSTS--FACTORIES SHUN MARKDOWNS--The failure in the last two weeks of several retail price cutting drives to force down manufacturers' and farm prices on most cost of living items indicated last night that consumers would pay again full prices this week for many necessities.

Retail merchants in scattered communities, after experimenting with the "Newburyport Plan," the "Jackson Heights Plan," or any of several variations, faced the problem of replenishing at the full wholesale price stocks of goods they had sold at markdowns. This was especially true of "name" brands. Makers of some lesser known products have been more inclined to make price concessions, it was said in retail trade circles.

The National Association of Manufacturers reported that most industrial companies replying to a questionnaire on prices said they were not reducing prices. They gave as their reasons for maintaining present levels the uncertainty of material costs, the possibility of future wage demands, and alleged low labor efficiency.

PRICE RISE IS LAID TO MONEY SUPPLY: NATIONAL CITY BANK'S MONTHLY LETTER SAYS TRIPLING OF CIRCULATION WAS FACTOR--In an analysis of the causes behind the general rise in prices, the National City Bank of New York had signled out as the primary cause the "tripling of the money supply as a result of the wartime expansion of bank deposits and currency in circulation." This money, it asserted, was created by Government bank loans.

From New York Times, May 5 -

AMPLE WHEAT SEEN FOR EXPORT TRADE: RECORD WINTER CROP, AVERAGE SPRING YIELD, SUBSTANTIAL CARRY OVER IN PROSPECT-Chicago-A billion bushel crop of winter wheat is in sight for this year's harvest, by far the largest on record and 127,000,000 bushels in excess of last year's production, according to an estimate by a Chicago statistician. The average winter wheat crop for the 1936-45 period was 654,000,000 bushels, while production of both winter and spring wheat for the same period was 844,000,000 bushels.

The figures, after allowing for an average spring wheat crop of 226,000,000 bushels and a carryover of 100,000,000 bushels, indicates that 1,330,000,000 bushels of all wheat will be available for use during the 1947-48 crop year, sufficient to provide more than 300,000,000 bushels for export after all domestic needs are satisfied and leaving a substantial amount for carryover at the end of next season. Exports for the 1946 and 1947 season are placed tentatively at 363,000,000 bushels.

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From Wall Street Journal, May 5 -

TEXTILE INSTITUTE'S HEAD DEFENDS MILLS' PRICING OF COTTON CLOTH GOODS; DR. MURCHISON SAYS 75% MADE IN U.S. IS BEING SOLD AT OLD OPA LEVELS-Augusta-A defense of mill prices for cotton cloth was made by Dr. Claudius T. Murchison president of the Cotton Textile Institute, who opposed industry wide price cuts.

Seventy five percent of unfinished cotton cloth made by the nation's cotton mills is being sold at OPA levels, Dr. Murchison declared. He spoke at the closing day convention meeting of the American Cotton Manufacturers Association.

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LONDON-Many smokers' good resolutions are going up in smoke. Retailers reported increased sales of cigarettes and pipe tobacco last week.

Sales in London however, are still down approximately one third from pre budget days before the tobacco tax was increased and business in the provinces has slumped as much as 50%. Smoking in agricultural areas has been hardest hit since farm workers' pay packets won't meet the high prices.

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From N.Y. Journal of Commerce, May 5 -

FUTURES TRADING IN SUGAR-Editorial-The New York Coffee and Sugar Exchange has asked authority from the Department of Agriculture to resume futures trading in sugar by July 1. This request should be granted by the authorities.

Congress has already decreed that sugar rationing and price control shall end on October 31. Because of the wartime world wide shortage of the commodity, this action involved considerable risk of a runaway price rise and a subsequent collapse in the price of sugar.

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From Greenville (S.C.) News, Apr. 29 -

MAYBANK CONTENTS SOUTH ATLANTIC PORTS BY-PASSED IN FEDERAL COTTON BUYING PLAN - Washington - Sen. Burnet R. Maybank of South Carolina introduced a resolution in the Senate today which would require all government agencies purchasing cotton to be exported to give equal opportunity to all shippers in the United States.

The South Carolinian introduced the resolution for himself, Senator George of Georgia and Senator Hooey of North Carolina.

The Maybank resolution provides that shippers in the United States may offer their cotton to the government agencies provided as much as 2,000 bales were offered and to require these government agencies to require the steamships to call at the port where the cotton is stored for 2,000 bales or more.

Contending the South Atlantic seaports have been by-passed by the steamship companies and that shippers had been required to send their cotton to Gulf ports, Senator Maybank said he introduced resolution because these government agencies had specified, in purchasing cotton for export that it must be shipped from Gulf ports.

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From Boise (Idaho) Statesman, Apr. 23 -

BUYERS WARNED TO ANALYZE FARM VALUES; PRODUCTIVE VALUE OVER LONG RANGE SAID IMPORTANT GUIDE - Buyers should determine the long-time productive value of a farm before making a purchase, Virgil Kennedy, farm management specialist for the University of Idaho extension service, said Tuesday.

Kennedy said the "failure to recognize the difference between the market price of a farm and the long-time productive value often results in financial difficulties."

"This was the case in the two decades following 1920 and the same situation appears to be developing again," Kennedy said.

"In March of this year 442 bushels of wheat or 546 sacks of spuds were equal to \$1000. In 1937, a favorable prewar year, it would have taken 1136 bushels of wheat or 926 sacks of spuds to pay off a \$1000 farm mortgage."

"The financial success or failure of a farm depends to a large extent on the purchase price of that farm in relation to its actual earning capacity."

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From Charleston (S.C.) News and Courier, Apr. 28 -

PRESUMING TO OFFER ADVICE - Editorial - Again The News and Courier advises that now is the time to buy lands -- in parcels however small or large. Persons with little money can borrow on rates of interest that will not be lower. They are low indeed. The land will not run away, and we know of nothing else material of which that can be said. If we have a large population of house and land owners, yeoman farmers and working men who possess homes, we shall have a voting population that can be depended upon to keep down state, county, school and other taxes.

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From Milwaukee (Wis.) Journal, Apr. 27 -

CANNOT IGNORE FARM PRICES - Editorial - Everyone in Washington, from the president down, is being a little skittish in facing facts about farm and food prices as a factor in inflation. That is politically expedient, no doubt, but isn't it just a little short of complete honesty?

Organized labor is being condemned for greediness in its demands, which tend to force prices upward. Business is being roundly condemned for marking up margins on goods and charges for services higher than is justified. But there is almost no mention of any need to readjust farm prices for the benefit of the consumer.

Just a few recent figures and estimates will indicate how futile price control and anti-inflation agitation will be if agricultural prices, costs and incomes are to be ignored.

Between August, 1939, and June, 1946, the wholesale price of nonfarm commodities increased 36% but the wholesale price of farm commodities and food increased 64%. After OPA expired, farm and food products went up another 48% as compared to 44% for the nonfarm commodities.

This means that the family food dollar has been cut more than half. According to dependable estimates, the increase in food prices alone have accounted for approximately 70% of the total increase in the cost of living in the average American family.

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From Lexington (Ky.) Herald, Apr. 28 -

UNCLE SAM AND GROWER - Editorial - In citing at the recent hearing in Washington, that Uncle Sam receives more from the sale of tobacco products after each crop than the grower has received from his entire crop of tobacco, John W. Jones, of North Middleton, spokesman for the burley growers, sets forth an inescapable point of logic.

Yet it is possible to conceive of the sale of cigarettes without federal taxes. But there isn't any way to develop a year's output of cigarettes without leaf tobacco. The fact which was cited emphasizes the tobacco production is essential, for more reasons than one. Mr. Jones was asking for appropriations to sustain the tobacco program. He was asking the federal government to spend two million dollars insuring a crop from which it reaps a billion, two hundred thousand dollars in revenue.

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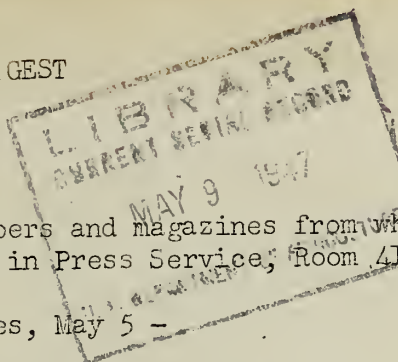
From Evansville (Ind.) Courier, Apr. 26 -

FARM PRODUCTION - Editorial - People talk glibly for and against farm subsidies. They think they know just what ought not to be done about feeding people. Farm surplus in one line or another ought never to be destroyed while people hunger, says one. Food must not be used as a political weapon, says another. But if the food will spoil before enough bottoms can be found in which to ship it, what then? Or if recipients use it as a weapon against us, what then?

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Retail merchants in scattered communities, after experimenting with the "Newburyport Plan," the "Jackson Heights Plan," or any of several variations, faced the problem of replenishing at the full wholesale price stocks of goods they had sold at markdowns. This was especially true of "name" brands. Makers of some lesser known products have been more inclined to make price concessions, it was said in retail trade circles.

The National Association of Manufacturers reported that most industrial companies replying to a questionnaire on prices said they were not reducing prices. They gave as their reasons for maintaining present levels the uncertainty of material costs, the possibility of future wage demands, and alleged low labor efficiency.

PRICE RISE IS LAID TO MONEY SUPPLY: NATIONAL CITY BANK'S MONTHLY LETTER SAYS TRIPLING OF CIRCULATION WAS FACTOR-In an analysis of the causes behind the general rise in prices, the National City Bank of New York had signled out as the primary cause the "tripling of the money supply as a result of the wartime expansion of bank deposits and currency in circulation." This money, it asserted, was created by Government bank loans.

From New York Times, May 5 -

AMPLE WHEAT SEEN FOR EXPORT TRADE: RECORD WINTER CROP, AVERAGE SPRING YIELD, SUBSTANTIAL CARRY OVER IN PROSPECT-Chicago-A billion bushel crop of winter wheat is in sight for this year's harvest, by far the largest on record and 127,000,000 bushels in excess of last year's production, according to an estimate by a Chicago statistician. The average winter wheat crop for the 1936-45 period was 654,000,000 bushels, while production of both winter and spring wheat for the same period was 844,000,000 bushels.

The figures, after allowing for an average spring wheat crop of 226,000,000 bushels and a carryover of 100,000,000 bushels, indicates that 1,330,000,000 bushels of all wheat will be available for use during the 1947-48 crop year, sufficient to provide more than 300,000,000 bushels for export after all domestic needs are satisfied and leaving a substantial amount for carryover at the end of next season. Exports for the 1946 and 1947 season are placed tentatively at 363,000,000 bushels.

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From Wall Street Journal, May 5 -

TEXTILE INSTITUTE'S HEAD DEFENDS MILLS' PRICING OF COTTON CLOTH GOODS; DR. MURCHISON SAYS 75% MADE IN U.S. IS BEING SOLD AT OLD OPA LEVELS-Augusta-A defense of mill prices for cotton cloth was made by Dr. Claudius T. Murchison president of the Cotton Textile Institute, who opposed industry wide price cuts.

Seventy five percent of unfinished cotton cloth made by the nation's cotton mills is being sold at OPA levels, Dr. Murchison declared. He spoke at the closing day convention meeting of the American Cotton Manufacturers Association.

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LONDON-Many smokers' good resolutions are going up in smoke. Retailers reported increased sales of cigarettes and pipe tobacco last week.

Sales in London however, are still down approximately one third from pre budget days before the tobacco tax was increased and business in the provinces has slumped as much as 50%. Smoking in agricultural areas has been hardest hit since farm workers' pay packets won't meet the high prices.

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From N.Y. Journal of Commerce, May 5 -

FUTURES TRADING IN SUGAR-Editorial-The New York Coffee and Sugar Exchange has asked authority from the Department of Agriculture to resume futures trading in sugar by July 1. This request should be granted by the authorities.

Congress has already decreed that sugar rationing and price control shall end on October 31. Because of the wartime world wide shortage of the commodity, this action involved considerable risk of a runaway price rise and a subsequent collapse in the price of sugar.

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From Greenville (S.C.) News, Apr. 29 -

MAYBANK CONTENTS SOUTH ATLANTIC PORTS BY-PASSED IN FEDERAL COTTON BUYING PLAN - Washington - Sen. Burnet R. Maybank of South Carolina introduced a resolution in the Senate today which would require all government agencies purchasing cotton to be exported to give equal opportunity to all shippers in the United States.

The South Carolinian introduced the resolution for himself, Senator George of Georgia and Senator Hocy of North Carolina.

The Maybank resolution provides that shippers in the United States may offer their cotton to the government agencies provided as much as 2,000 bales were offered and to require these government agencies to require the steamships to call at the port where the cotton is stored for 2,000 bales or more.

Contending the South Atlantic seaports have been by-passed by the steamship companies and that shippers had been required to send their cotton to Gulf ports, Senator Maybank said he introduced resolution because these government agencies had specified, in purchasing cotton for export that it must be shipped from Gulf ports.

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From Boise (Idaho) Statesman, Apr. 23 -

BUYERS WARNED TO ANALYZE FARM VALUES; PRODUCTIVE VALUE OVER LONG RANGE SAID IMPORTANT GUIDE - Buyers should determine the long-time productive value of a farm before making a purchase, Virgil Kennedy, farm management specialist for the University of Idaho extension service, said Tuesday.

Kennedy said the "failure to recognize the difference between the market price of a farm and the long-time productive value often results in financial difficulties."

"This was the case in the two decades following 1920 and the same situation appears to be developing again," Kennedy said.

"In March of this year 442 bushels of wheat or 546 sacks of spuds were equal to \$1000. In 1937, a favorable prewar year, it would have taken 1136 bushels of wheat or 926 sacks of spuds to pay off a \$1000 farm mortgage."

"The financial success or failure of a farm depends to a large extent on the purchase price of that farm in relation to its actual earning capacity."

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From Charleston (S.C.) News and Courier, Apr. 28 -

PRESUMING TO OFFER ADVICE - Editorial - Again The News and Courier advises that now is the time to buy lands -- in parcels however small or large. Persons with little money can borrow on rates of interest that will not be lower. They are low indeed. The land will not run away, and we know of nothing else material of which that can be said. If we have a large population of house and land owners, yeoman farmers and working men who possess homes; we shall have a voting population that can be depended upon to keep down state, county, school and other taxes.

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From Milwaukee (Wis.) Journal, Apr. 27 -

CANNOT IGNORE FARM PRICES - Editorial - Everyone in Washington, from the president down, is being a little skittish in facing facts about farm and food prices as a factor in inflation. That is politically expedient, no doubt, but isn't it just a little short of complete honesty?

Organized labor is being condemned for greediness in its demands, which tend to force prices upward. Business is being roundly condemned for marking up margins on goods and charges for services higher than is justified. But there is almost no mention of any need to readjust farm prices for the benefit of the consumer.

Just a few recent figures and estimates will indicate how futile price control and anti-inflation agitation will be if agricultural prices, costs and incomes are to be ignored.

Between August, 1939, and June, 1946, the wholesale price of nonfarm commodities increased 36% but the wholesale price of farm commodities and food increased 64%. After OPA expired, farm and food products went up another 48% as compared to 44% for the nonfarm commodities.

This means that the family food dollar has been cut more than half. According to dependable estimates, the increase in food prices alone have accounted for approximately 70% of the total increase in the cost of living in the average American family.

From Lexington (Ky.) Herald, Apr. 28 -

UNCLE SAM AND GROWER - Editorial - In citing at the recent hearing in Washington, that Uncle Sam receives more from the sale of tobacco products after each crop than the grower has received from his entire crop of tobacco, John W. Jones, of North Middleton, spokesman for the burley growers, sets forth an inescapable point of logic.

Yet it is possible to conceive of the sale of cigarettes without federal taxes. But there isn't any way to develop a year's output of cigarettes without leaf tobacco. The fact which was cited emphasizes the tobacco production is essential, for more reasons than one. Mr. Jones was asking for appropriations to sustain the tobacco program. He was asking the federal government to spend two million dollars insuring a crop from which it reaps a billion, two hundred thousand dollars in revenue.

From Evansville (Ind.) Courier, Apr. 26 -

FARM PRODUCTION - Editorial - People talk glibly for and against farm subsidies. They think they know just what ought not to be done about feeding people. Farm surplus in one line or another ought never to be destroyed while people hunger, says one. Food must not be used as a political weapon, says another. But if the food will spoil before enough bottoms can be found in which to ship it, what then? Or if recipients use it as a weapon against us, what then?

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414 A. Phone Gene Harrison at 6031.)

From New York Times, May 2 -

NEW U. S. WOOL FEE SMAGS TRADE TALKS; AMERICANS IN GENEVA HELPLESS UNTIL TAX ISSUE IS CLARIFIED - Geneva - Little progress on the negotiation of new trade agreements can be made at the Geneva Trade Conference until the United States position on its wool tariff becomes clarified.

The issue posed by a Congressional committee's action in approving a new 50 per cent fee on the import of wool has assumed an importance out of all proportion to the economic importance of the wool trade itself.

SULLIVAN BLAMES INDUSTRY FOR PRICES - Washington - A Democratic National Committee statement that President Truman was directing a concentrated publicity campaign through Cabinet officers "to put the heat on basic manufacturers as the real culprits" behind prices boomeranged today in a flood of telephone calls to the White House and committee headquarters.

The statement was contained in the first issue of Capital Comment, a news letter sent to all county committeemen by Gael Sullivan, Democratic national director.

COMMODITY PRICES AVERAGE .3% DROP; COTTON, EGGS, FRUIT, VEGETABLES RISE AS LIVESTOCK, GRAINS, BUTTER, CHEESE DECLINE - Washington - Declines in eight of ten major commodity groups lowered average primary market prices 1.3 per cent during the week ended April 26, according to the Bureau of Labor Statistics of the Department of Labor.

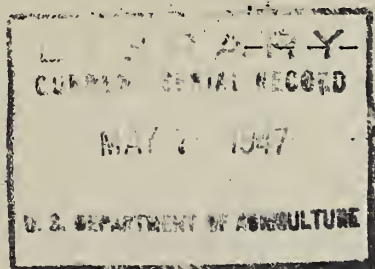
The Bureau's index of commodity prices in primary markets dropped to 146.8 per cent of the 1926 average, 1.7 per cent below the peak of late March and 33.9 per cent above a year earlier.

Average market prices of farm products rose 1.3 per cent during the week.

The decline of 1.2 per cent in the group index for foods was the result of lower prices for most types of foods except fresh fruits and vegetables. Liberal supplies were reflected in further price declines for butter and cheese.

From New York Wall Street Journal, May 2 -

BUTTER SHORTAGE NEXT FALL IS FORESEEN - Because of Truman's price-cutting talk, Anderson put on ice his plan to peg butter prices. This would have guaranteed profits next fall, when production drops, and sent some of the dairy product into storage. Most present output goes right on the market.



From New York Wall Street Journal, May 2 -

GOVERNMENT MAY DECIDE IN JUNE ON RENEWAL OF SUGAR FUTURES TRADING -

Washington - Government objections to resumption of sugar trading on the New York Coffee and Sugar Exchange may be lifted by early June. This was learned last night after a meeting between a special committee of the Exchange and top sugar officials of the Agriculture Department. The meeting was called to discuss problems involved in resuming sugar trading, suspended when controls were imposed on sugar early in the war.

The Exchange would like to start trading in futures contracts in sugar on July 1.

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From New York Journal of Commerce, May 2 -

ECONOMIST SEES FOOD PRICES FALLING - Chicago - All signs point to a return of low-priced food, a clogging of marketing channels and relatively low farm income, Prof. Theodore Schultz, head of the economics department at the University of Chicago, said today.

Professor Schultz, who has served on various national and international food advisory committees, said in an interview that while no one can foretell the time table on farm prices, "I believe that a fairly drastic transition lies ahead."

Asserting that prices are "exceeding high" now, the agricultural economics expert added that they are not being kept up by the Government's price support program, "contrary to the belief of some urban people."

The Chicago professor added that "reducing our exports of cereals and other foods would bring prices down, but I doubt the wisdom of taking this step in view of the critical food situation in so many parts of the world."

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DOUBTS TURPENTINE PRICE SUPPORT - Although gum turpentine declined for the third successive day at Savannah yesterday to a new low of 69 3/4 c per gallon and nearly 36c below March parity, it is not likely that the Government will step in to support crude gum turpentine prices under its agricultural price support program.

Dealers are not pressing for it as recent rises have been too high for healthy volume consumption. Observers do feel, however, that the price drop will be overdone on the down side just as it was on the up side a few months ago.

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URGES COTTON MANUFACTURERS TO PREPARE FOR COMPETITION - Augusta, Ga. -

Cotton mills must develop export markets, guard against competition at home and find new uses for their products if the present high rate of output is to be maintained or increased, Dr. William P. Jacobs, president, stated here today at the opening session of the American Cotton Manufacturers Association's annual convention.

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From Cleveland (Ohio) News, Apr. 26 -

NEWBURYPORT BUNKUM - The happy citizens of Newburyport, Massachusetts, had better have a good time while their price-cutting binge lasts.

The mournful morning of awakening is coming, and the dejection of the hangover. It won't be nice.

The Newburyport plan sounds terrific. But it isn't going to sweep the nation. Nor can it exert any real pressure on the economic situation.

A clever promotional scheme has put the name of the little New England town on the front pages. That's about all that will come of the hippodrome. It isn't that easy to iron out the kinks in our system without pain or toil.

Secretary Clinton Anderson's Agriculture Department kicked the Newburyport theory into a cocked hat about the same time the White House, which should know better and maybe does was cheering the idea on.

The Newburyport plan assumes that prices are set at the retail level. Actually they're fixed by an intricate relationship of purchasing power, production and employment.

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From Denver (Colo) Post, Apr. 26 -

FEW DENVER GROCERS JOIN PRICE-CUT MOVE - Denver grocers in scattered instances Saturday were joining the swing to the so-called "Newburyport plan" and making 10 per cent cuts in some prices. But a majority said, in their opinion, the reported possibility of general price cuts were false and that prices actually had decreased on only a few items -- notably on smoked meats, butter, lard and soap.

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From Newark (N.J.) News, Apr. 26 -

OPPOSE U. S. MILK CONTROL; DAIRYMEN IN MEETING AT SYRACUSE FOR REGIONAL REGULATION SYSTEM - Syracuse - Federal supervision of the milk industry is no longer desirable and should be replaced by a system of regional regulation.

Dairyman representing 90 per cent of the farmers who produce milk for New York and New Jersey metropolitan area reached that decision yesterday at an emergency meeting called to discuss the milk price situation. Delegates from farmers' associations of New York, New Jersey, Pennsylvania, Vermont and Massachusetts were on hand.

The dairymen have been charging that Secretary of Agriculture Anderson put them in a double squeeze by setting the farm price of May milk for the metropolitan area at \$4.14 a 100 pounds compared with the current price of \$4.58. They say they face financial hardship if forced to absorb a third 44-cent reduction without a compensating decline in costs. The reduction will mean a 1-cent cut in the quart price of milk.

It was reported that attempts of dairymen to negotiate premium payment plans with individual milk distributors have brought threats of federal prosecution under the anti-trust laws.

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From Columbus (Ohio) Citizen, Apr. 26 -

THE "WOOL GRAB" - Washington - A White House veto for the "wool grab" bill being shepherded through Congress by the "do-something-for-wool" bloc was indicated clearly today.

President Truman, who has urged a downward swing to avert a possible business recession, said flatly at a news conference that he opposed Government support for any farm products above the so-called 90-per-cent-of-parity formula.

The wool price-support bill, according to opponents, means Government support at more than 100 per cent of parity, and would raise the price of woollen goods to United States consumers by millions of dollars.

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From Fort Worth (Tex.) Star-Telegram, Apr. 24 -

HIGH PRICES NOT DUE TO FARM SUPPORT - Editorial - Recent statements branding government price supports for farm products as the cause of present high food prices and as an effective bar to their decline are considerably wide of the mark. It is true that farm products have led the general parade of prices upward, rising nearly 180 per cent since 1939, and that higher food prices have accounted for approximately 70 per cent of the increase in living costs that has occurred since that time. But it is not equally true that government supports either pushed farm prices to their current high level or now are maintaining them there. Neither is it true that there is no room for a drop in the price of most farm products before the government would have to step in with payments to bolster the market.

By operation of the parity formula, farm prices could join in a general price retreat to lower levels without damage to the farmer's relative purchasing power. But a sharp drop in farm prices along could precipitate a general business recession, as a temporary collapse in the price of wheat was credited with doing in 1924. The need to call a halt to inflation is for orderly price decreases all along the line -- in farm products, in manufactured goods, and in high costs of government, which themselves are a main factor in the equation of high prices.

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From Indianapolis (Ind.) Star, Apr. 26 -

PRICES WILL BE LOWER, IF-- Editorial - Are prices going to come down? Most Americans think they will be lower within the next six months, according to today's Gallup Poll. If they are, it will be the result of just one thing -- production. Increased and steady production is the only real answer to price rises. And the only way to get higher production is for everybody in the country to stay on the job and work hard. That means labor, management, farmers, everybody.

Food prices, too, depend on production. Our farmers are still producing record crops with the wheat harvest harvests expected to bring in as much as 1,200,000,000 bushels. Production abroad is also expected to increase. If European and Asiatic harvests are good, much of the drain on our production will be lowered and lower food prices will result here. Already wholesale prices on about 30 food products have decreased from their all-time highs for three weeks in a row. This may be the turning point in many food products and could mean lower prices soon for all of us.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 6 -

BUNTING HITS INCREASES: NAME HEAD BLAMES GOVERNMENT FOR PRICES-San Francisco-Government, not industry, must take the major responsibility for high prices, Earl Bunting, president of the National Association of Manufacturers, declared tonight in speaking at a regional meeting of the association.

He said the Government "set the wage pattern of 18½ cents a year ago, which has been translated into higher prices," that Government was "responsible for an increase in grain prices," that Government "placed a two-year floor under the prices of most foodstuffs," and that Government had "coddled labor unions for years until the uncertainty of industrial peace is one of the most serious problems in fixing costs."

Moreover, Mr. Bunting said, Government was responsible "for the most stupendous increase of all--the price of government, which has increased nearly 1,275 percent over 1929."

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TRACES HIGH PRICES TO RISE IN MERGERS: FTC COMMISSIONER TELLS BEER PARLEY PRIVATE MONOPOLY MAY FORCE GOVERNMENT ACTION-Atlantic City-Commissioner Rober H. Freer of the Federal Trade Commission, declared today the present high price level can be attributed to the influence of increased mergers of corporations, due to the concentration of many products into a comparatively few manufacturers' hands.

Addressing the convention of the National Beer Wholesalers Association, Mr. Freer told 600 delegates from thirteen Atlantic states FTC is constantly fighting combinations to control markets and prices.

He indicated that if the Government is forced to step in with price fixing, it will be because the public interest demands it as a result of the "operations of private monopolists for their own selfish interests."

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ARMY IS CRITICIZED FOR POTATO SALE: 13,500,000 POUNDS OF ROTTING TUBERS FOR RELIEF, BID IN AT 16c A HUNDRED POUNDS-A shipload of 13,500,000 pounds of potatoes, marked for starvation relief in Germany, was unloaded yesterday in Jersey City after spoilage and rot had set in on the trip from Texas. The Army, it was learned, has sold the shipment to a domestic company, thereby drawing criticism from potato dealers who did not have the chance to make a salvage bid.

Sale of the potatoes, at less than 16 cents a 100-pound, to the Idaho Baking Potato Distributors, Inc., came to light yesterday when another company complained of favoritism in the deal. Capt. Harold Deutsch, Quartermaster Corps salvage officer for this port, who handled the sale, defended the Army's action by saying that an immediate sale had to be made because the potatoes were rapidly decomposing and "the stench was pretty bad."

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From N.Y. Journal of Commerce, May 6 -

FOOT-MOUTH DISEASE SPREAD ALARMS U.S.: SEE INTENT OF CONGRESS FLOUTED IN FIGHTING MEXICAN EPIDEMIC-Armstrong-Administration of the joint United States Mexican campaign for the prevention of the spread of foot and mouth disease in herds in the latter country is "most disturbing" to American cattlemen, Robert J. Kleberg, jr., manager of the King Ranch, said today in an analysis of the present program for control of the disease.

Charging that instead of slaughtering infected herds, and burying the carcasses in quicklime on the premises, as has been done in every outbreak in the United States, the cattle are being paid for by the United States Government a major portion then given to the Mexican Government for transportation to slaughterhouses, Mr. Kleberg said. "Hardly a better method could have been devised to permanently fasten the disease on Mexico and assure its spread to the United States."

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From Wall Street Journal, May 6 -

COSTLY FEEDS WIPE OUT MUCH OF DAIRY AND POULTRY FARM PROFITS-The general farm product price level is up more than 30% in 12 months. And yet producers of chickens, eggs, butterfat and milk actually show less real profit than during the war.

In the war years, the price of a pound of milk would buy a dairyman 1.3 pounds of cattle feed; it will now buy 1.2 pounds. A pound of butterfat sold during the war would buy nearly 26 pounds of feed; it now buys just over 22 pounds.

A pound of chicken that bought 8.6 pounds of feed during the war now buys only 7.1 pounds, and the farmers who grow turkeys find a pound of this prime bird worth only 7.7 pounds of feed, compared with 11.2 pounds in the war years.

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VEGETABLE CANNERS in many areas plan smaller packs this year than last. Consumer price bucking and big stocks already on hand worry them.

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FARM HANDS will be at a premium this month. May normally brings a jump in farm employment. But, with non farm jobs extremely plentiful, "hands" are going to be hard to come by this spring. In Nebraska farm laborers already get \$140 a month, plus room and board. They've come a long way since they earned \$10 a month in the dark 1930's.

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TENANT FARMING wanes in Dixie's cotton land. Cotton tenant farmers totaled 525,000 in 1940. By last year there were only 300,000. Behind the shift: Better paying jobs elsewhere.

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From Milwaukee (Wis.) Journal, Apr. 28 -

BUYER'S PERIOD COMING, VIEW - The long awaited "buyer's market" in foods is not far off; it was indicated Sunday at the annual Wisconsin food industry conference.

The conference was marked by increased interest in merchandising problems by food retailers, in contrast to war years when the big problem was replenishing depleted stocks.

The present price cutting trend in the industry also was taken as an indication that the "seller's market" is drawing to an end.

Joseph Gotlin, advertising manager for the Ralston Purina Co., St. Louis, told the conference that the price cutting trend was unsound because it was not based on price cuts by manufacturers, jobbers and wholesalers.

Any attempt to cut high food prices must start at the manufacturers' end, he said, adding that manufacturers are trying to bring about a general reduction in prices, but their efforts have not been very successful because of high labor and overhead.

From Fort Worth (Texas.) Star-Telegram, Apr. 28 -

HIGH FOOD PRICES AND INFLATION CURBS - Editorial - President Truman logically has attributed high food prices to the unprecedented purchasing power of the fully-employed American people and the undue demand of war-devastated countries rather than the government policy of supporting farm prices. On the other hand, the president contended that the floor under farm prices, assured by the government's support policy, has been responsible for the 71 per cent rise in physical volume of farm production since 1929.

This output of food and fiber was a shining achievement of the war period, and has enabled the United States to extend postwar foreign relief while its own people were the best fed in the world. The president reasonably has appealed for sustained farm production for another year, when the farmers will have the insurance of price support. Currently, this aid is being extended only to potato growers, and prices of other farm crops are well above the point where they would be accorded support.

Yet it is hardly probable that food production can or will be increased to the point in this country where supply alone would be effective in reducing prices of food that are too high for the American people. Nor does the president meet the problem of inflationary living costs in his comment that food prices would be considerably higher but for the volume of farm production.

From Louisville (Ky.) Times, Apr. 28 -

RETAILERS HELPLESS - Editorial - Retailers operate under limitations. They cannot reduce prices unless basic commodities come down. Producers of basic commodities and their employees remain under the illusion that increased pay will solve their problem. Producers keep prices up, or increase them. Their prices are reflected in consumer prices which are in turn reflected in further demands by employees who find living cost threatening their gains.

Competition in the retail field is a factor in price-shaving. A desire to create good will animates retailers, but price reform depends upon such commodities as steel; commodities on which the whole structure of manufactures depends.

From South Bend (Ind.) Tribune, Apr. 28 -

ANDERSON'S PROGRAM - Editorial - "The long range farm program of abundance" proposed by Secretary of Agriculture Clinton P. Anderson would shift the emphasis from subsidies to farmers to subsidies, in effect, to "boost the food buying power of the poor." The latter aspect of it is not completely unique. The food stamp plan during the great pre-world war II depression and, to some extent, the school lunch program that has been in operation for some time come readily to mind in this connection. The Anderson idea for a long-range arrangement is "a surplus distribution program of perhaps some sort of a food allotment, available at all times, something flexible enough to meet both chronic and acute" shortages of buying power.

Secretary Anderson is not proposing elimination of the farm price support system by which the federal government is under a statutory obligation to divert tax proceeds to keep prices above certain levels. His purpose in proposing this long range program is to forestall any more experiments with government control of farm production to keep it in line with the demand as established by public buying power.

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From Detroit (Mich.) News, Apr. 25 -

CANNED FOOD BACKING UP - Editorial - Business in many places and particularly in food lines has been quick to lend itself to the Newburyport plan whereby prices in a community are cut 10 per cent across the board.

One reason: The greatest accumulation of canned food in history for this season of the year now lies in packer and distributor warehouses -- 200,000,000 cases as of March 1, or half again as large as last year's figure.

Moreover, the new fruit and vegetable pack is expected to total about 513,000,000 cases, as against the last prewar year's production of 285,000,000.

The back pressure of retailer on wholesaler had in fact begun to tell before the Newburyport demonstration. Prices for a month have been dropping on overstocks and offbrands.

To ease the decline, to keep prices from a wide-open break is the most ordinary business wisdom. Subscribing to horizontal price cuts is worthwhile if only because it makes a virtue of ultimate necessity.

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From Kansas City (Mo.) Times, Apr. 28 -

LOOKING TO THE FARM FUTURE - Editorial - With the hearings under way before the House agricultural committee looking forward to a long-range farm price support program, it is being stated emphatically that the scarcity theory that marked the programs of the '30s is not even being considered by the planners.

The wartime period demonstrated that a busy, well-paid American can consume just about all the food our farms can produce. Farm production during the war reached new peaks, yet all and more were needed.

The emphasis in the plans for a new program, therefore, will be where it obviously should be -- on sustaining demand for farm products rather than on methods of controlling production to fit demand.

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DAILY FARM NEWS DIGEST
(For May 6, 1947)

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Charging that instead of slaughtering infected herds, and burying the carcasses in quicklime on the premises, as has been done in every outbreak in the United States, the cattle are being paid for by the United States Government a major portion then given to the Mexican Government for transportation to slaughterhouses, Mr. Kleberg said. "Hardly a better method could have been devised to permanently fasten the disease on Mexico and assure its spread to the United States."

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From Wall Street Journal, May 6 -

COSTLY FEEDS WIPE OUT MUCH OF DAIRY AND POULTRY FARM PROFITS-The general farm product price level is up more than 30% in 12 months. And yet producers of chickens, eggs, butterfat and milk actually show less real profit than during the war.

In the war years, the price of a pound of milk would buy a dairyman 1.3 pounds of cattle feed; it will now buy 1.2 pounds. A pound of butterfat sold during the war would buy nearly 26 pounds of feed; it now buys just over 22 pounds.

A pound of chicken that bought 8.6 pounds of feed during the war now buys only 7.1 pounds, and the farmers who grow turkeys find a pound of this prime bird worth only 7.7 pounds of feed, compared with 11.2 pounds in the war years.

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VEGETABLE CANNERS in many areas plan smaller packs this year than last. Consumer price bucking and big stocks already on hand worry them.

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FARM HANDS will be at a premium this month. May normally brings a jump in farm employment. But, with non farm jobs extremely plentiful, "hands" are going to be hard to come by this spring. In Nebraska farm laborers already get \$140 a month, plus room and board. They've come a long way since they earned \$10 a month in the dark 1930's.

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TENANT FARMING wanes in Dixie's cotton land. Cotton tenant farmers totaled 525,000 in 1940. By last year there were only 300,000. Behind the shift: Better paying jobs elsewhere.

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From Milwaukee (Wis.) Journal, Apr. 28 -

BUYER'S PERIOD COMING, VIEW - The long awaited "buyer's market" in foods is not far off, it was indicated Sunday at the annual Wisconsin food industry conference.

The conference was marked by increased interest in merchandising problems by food retailers, in contrast to war years when the big problem was replenishing depleted stocks.

The present price cutting trend in the industry also was taken as an indication that the "seller's market" is drawing to an end.

Joseph Gotlin, advertising manager for the Ralston Purina Co., St. Louis, told the conference that the price cutting trend was unsound because it was not based on price cuts by manufacturers, jobbers and wholesalers.

Any attempt to cut high food prices must start at the manufacturers' end, he said, adding that manufacturers are trying to bring about a general reduction in prices, but their efforts have not been very successful because of high labor and overhead.

From Fort Worth (Texas.) Star-Telegram, Apr. 28 -

HIGH FOOD PRICES AND INFLATION CURBS - Editorial - President Truman logically has attributed high food prices to the unprecedented purchasing power of the fully-employed American people and the undue demand of war-devastated countries rather than the government policy of supporting farm prices. On the other hand, the president contended that the floor under farm prices, assured by the government's support policy, has been responsible for the 71 per cent rise in physical volume of farm production since 1929.

This output of food and fiber was a shining achievement of the war period, and has enabled the United States to extend postwar foreign relief while its own people were the best fed in the world. The president reasonably has appealed for sustained farm production for another year, when the farmers will have the insurance of price support. Currently, this aid is being extended only to potato growers, and prices of other farm crops are well above the point where they would be accorded support.

Yet it is hardly probable that food production can or will be increased to the point in this country where supply alone would be effective in reducing prices of food that are too high for the American people. Nor does the president meet the problem of inflationary living costs in his comment that food prices would be considerably higher but for the volume of farm production.

From Louisville (Ky.) Times, Apr. 28 -

RETAILERS HELPLESS - Editorial - Retailers operate under limitations. They cannot reduce prices unless basic commodities come down. Producers of basic commodities and their employees remain under the illusion that increased pay will solve their problem. Producers keep prices up, or increase them. Their prices are reflected in consumer prices which are in turn reflected in further demands by employees who find living cost threatening their gains.

Competition in the retail field is a factor in price-shaving. A desire to create good will animates retailers, but price reform depends upon such commodities as steel; commodities on which the whole structure of manufactures depends.

From South Bend (Ind.) Tribune, Apr. 28. -

ANDERSON'S PROGRAM - Editorial - "The long range farm program of abundance" proposed by Secretary of Agriculture Clinton P. Anderson would shift the emphasis from subsidies to farmers to subsidies, in effect, to "boost the food buying power of the poor." The latter aspect of it is not completely unique. The food stamp plan during the great pre-world war II depression and, to some extent, the school lunch program that has been in operation for some time come readily to mind in this connection. The Anderson idea for a long-range arrangement is "a surplus distribution program of perhaps some sort of a feed allotment, available at all times, something flexible enough to meet both chronic and acute" shortages of buying power.

Secretary Anderson is not proposing elimination of the farm price support system by which the federal government is under a statutory obligation to divert tax proceeds to keep prices above certain levels. His purpose in proposing this long range program is to forestall any more experiments with government control of farm production to keep it in line with the demand as established by public buying power.

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From Detroit (Mich.) News, Apr. 25 -

CANNED FOOD BACKING UP - Editorial - Business in many places and particularly in food lines has been quick to lend itself to the Newburyport plan whereby prices in a community are cut 10 per cent across the board.

One reason: The greatest accumulation of canned food in history for this season of the year now lies in packer and distributor warehouses — 200,000,000 cases as of March 1, or half again as large as last year's figure.

Moreover, the new fruit and vegetable pack is expected to total about 513,000,000 cases, as against the last prewar year's production of 285,000,000.

The back pressure of retailer on wholesaler had in fact begun to tell before the Newburyport demonstration. Prices for a month have been dropping on overstocks and offbrands.

To ease the decline, to keep prices from a wide-open break is the most ordinary business wisdom. Subscribing to horizontal price cuts is worthwhile if only because it makes a virtue of ultimate necessity.

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From Kansas City (Mo.) Times, Apr. 28 -

LOOKING TO THE FARM FUTURE - Editorial - With the hearings under way before the House agricultural committee looking forward to a long-range farm price support program, it is being stated emphatically that the scarcity theory that marked the programs of the '30s is not even being considered by the planners.

The wartime period demonstrated that a busy, well-paid American can consume just about all the food our farms can produce. Farm production during the war reached new peaks, yet all and more were needed.

The emphasis in the plans for a new program, therefore, will be where it obviously should be -- on sustaining demand for farm products rather than on methods of controlling production to fit demand.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 7 -

HAHN SEES ADVANCE IN PRICES CHECKED: TELLS RETAIL GROUP IN DETROIT FROM NOW ON REDUCTION SHOULD BE POSSIBLE-Detroit-It appears evident that retailers have succeeded in stopping the upward movement of prices and from this point it should be possible gradually to bring about a reduction, Lew Hahn, president of the National Retail Dry Goods Association said today at a meeting here of the Retail Merchants Association.

"At this moment, however," Mr. Hahn added, "we cannot be sure that the forward movement of prices may not be resumed. Some manufacturers have canceled proposed price increases and are waiting to determine whether or not price rises will become necessary."

U.S. URGED TO KEEP FLOUR EXPORT CURB: MOVE WOULD INSURE CAPACITY OPERATION OF MILLS IN '47-'48, FEDERATION IS TOLD-Chicago-Extension of Government export controls beyond June 30 was urged today to insure capacity operations in United States flour mills during the 1947-48 crop year. Atherton Bean of Minneapolis, vice president of the International Milling Company, informed the Millers National Federation in convention here that heavy shipments of flour abroad would be assured, at least for the next year, if controls were continued. American labor, farmers and the milling industry would benefit by the move, he declared.

BRITAIN DYING OF STARVATION, EXPERT ON NUTRITION STATES-London-Britain is a nation slowly dying of starvation, Dr. Franklin Bicknell, member of the Royal College of Physicians and noted nutritionist, asserted today in an article in The Medical Press, one of the major organs of the medical profession.

Dr. Bicknell said that the average Englishman consumed no more than 2,100 calories a day, instead of the minimum of 3,000 that he held to be necessary. He added that Britain was the "worst fed nation in western Europe--including Germany."

RUSSIANS INCREASE CROPS: RADIOACTIVE ELEMENTS SAID TO HAVE CAUSED RISE IN YIELDS-London-The Moscow radio said today that Russian agriculturist had increased the yield of rubber plant and sugar beet harvests by the use of radioactive elements. Quoting Alexander Vinogradov director of the Geochemistry Institute the broadcaster said experiments had shown "radioactive elements raise the harvest yield, accelerate blossoming and ripening of plants and increase the carbohydrate content." A sugar beet harvest "rose from 155 to 175 hundredweight, while the sugar content increased from 14 to 22 percent," he said, after beets were subjected to the action of radioactive elements.

From N.Y. Journal of Commerce, May 7 -

SUGAR QUOTA RISE SOUGHT FOR CUBA-Washington-Secretary Anderson has asked Congress to review the sugar quota law with a view to a possible increase in the Cuban share of the United States market.

In a letter to the President of the Senate and Speaker of the House, the Agricultural Secretary urged early hearings although quotas have been suspended since 1942 and Anderson said he regards it as "extremely doubtful" they will be needed before 1949.

The act establishes fixed shares of the American market for sugar exporting nations and for the beet and cane producing areas of this country. Its purpose was to stabilize the price of sugar.

The quotas--the amount of the market allotted to various domestic and foreign producers--were suspended during the war because of the world shortage of sugar.

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HIGH PRICES LAID TO US GRAIN BUYING-Washington-The Administration was today charged in Congress with responsibility for bringing about high price levels.

The accusation was made by Representative August H. Andresen (Rep. Minn.) who declared that while the Administration was appealing to business to slash prices, it had itself contributed to the inflationary spiral by "ill-timed and reckless buying" of grains and other foods for shipment abroad.

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GRAIN TRANSPORTATION SITUATION BEST IN YEARS-Washington-The Office of Defense Transportation announced today that the United States is now, at the beginning of the 1947 grain season, in a better position with respect to transportation of the new grain crop than in any year since 1944.

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URGES TURPENTINE LOAN PROGRAM-Savannah-Harvey Langdale, president of the American Turpentine Farmers Association, announced today his organization would seek restoration of the Government loan program on turpentine and rosin.

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SOUTH NEEDS NITRATES-A Journal of Commerce survey of the cotton belt indicates that in all sixteen Southern States nitrate fertilizers are approximately 20 percent short of the requirements of cotton farmers. Potash, on the other hand, is in easier supply only Alabama and North Carolina reported shortages.

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From Wall Street Journal, May 7 -

TWO MORE COMPANIES ANNOUNCE PRICE CUTS-Two companies announced price reductions on their lines yesterday. Matheny & Bacon, Inc. of Seattle, one of the largest building supplies in the Northwest, announced they were cutting prices of new building material by 25% to 50%. The company said their lumber will go down by \$6 to \$14 a thousand feet.

The Electric Hose & Rubber Co. of Wilmington, Del. reduced prices by an average of 18.3% on its entire line.

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From Memphis (Tenn.) Commercial Appeal, Apr. 29 -

INCREASE IN COTTON FROM EGYPT IS ASKED; TARIFF GROUP URGES 50 PERCENT QUOTA BOOST - Washington - A 50 per cent increase in the quota for importation of Egyptian cotton into this country has been recommended by the Tariff Commission, it was learned Monday.

The commission, in its report to President Truman, recommended a quota for the next cotton year of 23,000,000 pounds, an increase of roughly 50 per cent over the present quota.

Although the report is classified as "confidential" until it is released by the White House, it was understood that officials of the Department of Agriculture are studying it now. Secretary of Agriculture Anderson will use this study as the basis for his recommendations to President Truman.

It is regarded as almost certain that Secretary Anderson will oppose any such large increase as recommended.

The Tariff Commission's recommendation was the result of a one-day hearing several weeks ago on the petition of certain cotton importers and mill interests for an increase in the quantity of Egyptian imports.

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From Ft. Wayne (Ind.) Journal-Gazette, Apr. 30 -

LUMBER DEALERS SAY BUILDING BOOM FIZZLED - A building boom which many people expected this year has failed to materialize, according to members of the Lumber and Supply Dealers Club which met yesterday. The figures to date for the current year are running behind those of last year for the same period, it was said. Many items needed in building are still hard to get and unfavorable weather was thought to be a factor.

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From Tampa (Fla.) Tribune, Apr. 30 -

MASTER CITRUS BRAND SIMILAR TO 'SUNKIST' PROPOSED FOR FLORIDA - Lakeland - A revolutionary plan to set up a Florida citrus "master brand" with slightly higher maturity standards to be promoted by increased advertising taxes, was proposed at a meeting of the industry's powerful legislative committees here today.

With a name for the all-Florida brand still to be found, the idea is to push a brand of Florida citrus in the same way California has promoted "sunkist" oranges.

The committees will meet here again Monday afternoon to decide what, if any, formal legislation will be presented to the current session of the legislature based on the plan offered today.

Advocates of higher maturity laws won a point in recommending that the master brand of oranges have a minimum solids content of 8.7 per cent for both natural and color-added fruit. Minimum solids percentage on natural color oranges is now 7.5 for color-added.

To exploit and promote the new brand, which could be used optionally by the state's citrus shippers, the plan would raise the advertising tax on oranges from two cents to three cents per box and on grapefruit from three cents to four cents per box.

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From Cincinnati (Ohio) Times-Star, Apr. 30 -

WHAT ABOUT FARM PRICES? - Editorial - Pessimists complain that the campaign for lower prices at the retail level is suggestive of King Canute's order to the waves. The retailer can point to high wholesale prices, the wholesaler points to high manufacturing prices and the manufacturer points to high labor costs and low labor output. To cut through this endless and futile round the Senate-House Committee on the economic report announces that it will study the problem of high prices and will concentrate upon high farm and food prices.

All the excitement over the Newburyport Plan ignores the fact that farm and basic food prices are the worst devil of the piece. Since 1939, for example, iron and steel prices have gone up about 30 per cent, or less than wages. General commodity prices, apart from food, have risen about 60 per cent. Food prices are up 140 per cent and farm prices 180 per cent. Food costs are responsible for 70 per cent of the climb in the cost of living since the beginning of 1946.

The joint Congressional committee will try to do two things: discover the causes of high farm and food prices and see what can be done to bring them down. The problem of cause is the topic of a hot controversy. Many observers blame Government farm subsidies, which aim at "farm parity." President Truman and many other flatly deny this, pointing out that basic farm prices are well above the "support" levels. They blame the price rise in the market basket on heavy foreign relief demand, coupled with unprecedented home demand.

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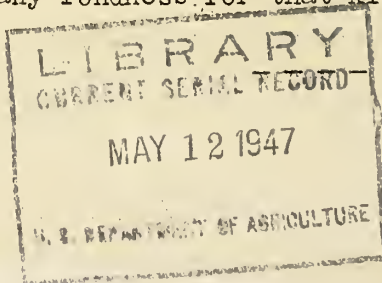
From Philadelphia Bulletin, May 1 -

FARM PROSPERITY - Editorial - With more money in his pocket than ever, the midwestern farmer displays little resistance to high prices. High food costs, which now take up about 40 per cent of the average city man's income, can be almost forgotten by a midwestern farmer. What the farmer has to buy has increased less than what he has to sell, as the parity price index shows.

This farm prosperity is not universal or evenly spread. Its peak is in California and the midwestern States, stretching from the Canadian border to Texas. High grain and cattle prices have done less to boost the farmers' income along the Atlantic coastline. But it is probably true that Pennsylvania and New Jersey farmers are not fighting in the front lines of the buyers' resistance. Most of them are better off than they have been in years, although there are individual exceptions.

With farm labor at record wages, thousands of farmers are investing in labor-displacing new machinery. The bumper crops of the last six years were harvested with fewer farmhands than the relatively smaller production of pre-war days.

Farmers need as much preaching to about high prices as business, but so far the President has shown great restraint. Neither the Democrats nor the Republicans have any fondness for that kind of a low price campaign.



Farm Digest 935-47

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DAILY FARM NEWS DIGEST
(For May 12, 1947)

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U. S. DEPARTMENT OF AGRICULTURE
(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4144. Phone Gene Harrison at 6031.)

From New York Times, May 12 -

GERMANS' HUNGER MENACES U.S. BRITISH BI-ZONAL POLICY-Berlin-Unless the food crisis of western Germany is solved quickly, the economic merger of the American and British zones is doomed to failure within half a year, in the opinion of the highest authorities of the two military governments.

This would mean that the hundreds of millions of dollars already spent by the U.S. and Britain to make these zones self-sustaining by 1950 will have gone down the drain.

Although for purposes of occupation policy, German farmers have been publicly held to blame, a large share of responsibility is attributable, according to the authoritative sources, to deficient imports of food from the United States.

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FOREIGN GRAIN NEED STUDIED IN MARKET: TRADE MEMBERS TURN ATTENTION TO STATISTIC WHILE WINTER WHEAT HARVEST NEARS-Chicago-With the first billion bushel crop of winter wheat on record about to be harvested, members of the grain trade are paying more attention to the statistical position of that grain likely to prevail in this country, and also the prospective needs of Europe and the Far East.

According to figures compiled by local grain men, the available supply of wheat for the 1947-48 crop year, which will start on July 1, will be around 1,350,000,000 bushels after allowing for an average spring wheat crop of 225,000,000 bushels and a carry over of 100,000,000 bushels. Of this amount 800,000,000 bushel will be required for bread, feed and seed, and 200,000,000 bushels, for carryover leaving 350,000,000 bushels available for export, or about the amount of clearances during the 1946-47 season.

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ANNOUNCES PRICE CUTS: NATIONAL MATTRESS CO. MAKES 8 TO 22% REDUCTIONS-Huntington, W.VA.-A price cut of 8 to 22 percent "across the board" on all products manufactured by the National Mattress Company and subsidiaries in eighteen factories in a dozen states was announced here last night.

Vice President James F. Edwards told eighty plant managers and salesmen at a home office conference that the price cut "is our company's contribution to national price stabilization." The company and its affiliates manufacture mattresses box springs, innersprings, sofa beds and related products.

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TEXAS BEEF FARMS BEGUN IN THE EAST: 1,500 STEERS REACH PENNSYLVANIA IN PLAN TO FATTEN CATTLE CLOSE TO THE MARKETS-Coatesville-More than 1,500 Texas steers arrived at the Buck and Doe Run Valley Farms during the weekend and another 1,500 are expected soon. They will be fattened and sold in the fall as an experiment in supplying Eastern markets with beef raised near by.

B. W. Wilson, manager of the huge estate, said that the 2 year old steers had been shipped here as part of an experiment to fatten large herds of beef cattle close to the Eastern markets and eliminate long railroad trips during which the animals lost considerable weight.

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From New York Times, May 12 -

SOVIET SETS HIGH COTTON GOAL-London-Tass, Russian news agency, reported tonight that Soviet cotton growers would try this year to grow more than sixteen bales of cotton per acre, which the dispatch said would be "five times the harvest obtained by the cotton growers of the Nile Valley." The dispatch said cotton planting in Central Asia and Transcaucasia increased 412,500 acres this year. It did not give last year's average.

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From the Wall Street Journal, May 12 -

SUGAR PLENTY: SOARING PRODUCTION BRINGS END NEAR FOR SIX YEAR OLD SHORTAGE-Washington-Put it down as possible you can have an inch high icing on your Fourth of July cake. Make the odds even greater that you can sweeten your Labor Day lemonade with unrationed, price freed sugar.

Government sugar experts are about ready to concede that America's six year old sweet shortage is nearing an end. The next six weeks will tell the story. If present crop conditions remain unchanged, housewives and industrial users of sugar seem certain to be released from sugar restrictions sooner than expected.

Warehouses in this country and in other sugar making areas are already bulging with bags of raw and refined sugar. Cuba, biggest sugar producer in the world, is looking for a bumper 1947 crop. Prospects are at least normal in other can growing territories supplying the U.S. market. Sugar beet farmers in the U.S. expect a near record harvest.

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FOOD IS LIKELY to be the next crisis facing the long suffering Britons, following close on the fuel and dollar shortages. It is bound up with the other two for without fuel Britain can't earn dollars to buy food.

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From N.Y. Journal of Commerce, May 12 -

SUGAR CONTROLS-Well informed sugar sources believe the changes favor Secretary Anderson asking for an extension of sugar controls beyond Oct. 31 rather than cutting them off before that date, despite the present temporary lag in movement into consuming channels. If controls were to end now on the eve of seasonal expansion in consumption prices would rise sharply.

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SEEK WIDER POWER FOR TARIFF BOARD-Washington-Senator Owen Brewster (Rep. Me.) intends to propose a bill this week conferring additional powers on the U.S. Tariff Commission, it was disclosed today, to equip it for a more positive role in world trade.

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From Minneapolis (Minn.) Tribune, May 4 -

FARM LEADERS RAP OUTPUT RESTRICTIONS, AGREE ON LITTLE ELSE - Washington - Two weeks of hearings before the house committee on agriculture has revealed a bare handful of long-range objectives farm leaders would like to see incorporated in a new legislative program.

They are generally agreed that restricted or government-controlled production is out.

They want abundant production, provided ways and means can be found to successfully assure increased consumption, fair returns to the farmer and elimination of surpluses.

In general, they are agreed, also that:

The parity formula must be revised and modernized. More emphasis must be placed on research and development of new markets for farm products. Soil conservation must be continued and encouraged. Efforts must be continued to develop a sound system of crop insurance.

Beyond that, leaders of the big farm organizations as well as Secretary of Agriculture Clinton P. Anderson, strike off in a number of different directions.

Topeka (Kans.) Times, May 2 -

WOULD END DUAL FEDERAL AND STATE INSPECTIONS; REPRESENTATIVE OF AGRICULTURE GROUPS RAPS DUPLICATION - Washington - Legislation to end duplication of State regulatory and inspection services by Federal agencies was urged before the House Committee on Agriculture today by H. K. Thatcher, of Little Rock, Ark., secretary of the National Association of (state) Commissioners secretaries and directors of agriculture. Discussing the field of marketing of farm products, Thatcher commented that Governmental activities concern themselves in three fields, research, education, and regulation.

"Over the years," he said, "there has grown up a counterpart of each functional activity in the states and Federal Government. This is causing conflicts and duplication of work, and the Congress should take note of it and eliminate such conflicts and duplications where they now exist or are likely to occur."

From Portland (Maine) Telegram & Press Herald, May 4 -

MUST PAY TAX ON DUMPED POTATOES - Augusta - Potato growers must pay the state tax of one cent a barrel on potatoes dumped under the U. S. Government surplus disposal program as well as on those sold for shipment, David H. Stevens, state tax assessor, Augusta, has warned several thousand growers.

The state tax applies regardless of whether the potatoes were hauled to a starch factory, an alcohol plant, or a dump. In any event they were actually sold to the United States Government and are therefore subject to the potato tax, says Stevens.

From Lancaster (Pa.) Intelligencer Journal, May 3 -

A POLICY OF ABUNDANCE - Editorial - The sheep population of the United States is declining, the latest estimate being 32,500,000 head, which is the lowest figure since Civil War days. Wartime influences are declared largely responsible for the drop in number of sheep in this country.

In England, an estimated 4,000,000 sheep and lambs, or more than 20 per cent of Britain's flocks, were lost in last winter's snowstorms.

British agriculture is facing a "Dunkerque", the Ministry of Agriculture reported, terming the sheep toll a national disaster which will affect home-produced meat supplies for several years to come.

This country was blessed with favorable weather which enabled American agriculture to surpass former records of crop production during the war years and the need for continued high output of food and fiber crops is still stressed by national authorities.

So long as there is a shortage of adequate food supplies in different parts of the world, the policy of "abundance" recently advocated by Secretary of Agriculture Clinton Anderson would seem to be good doctrine.

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From Greenville (S. C.) News, May 4 -

SUGAR PRICE CUT - Editorial - At least one refinery in the United States has cut the price of refined sugar a quarter of a cent a pound because of "continued slow demand and piling up of supplies."

The refinery, a Brooklyn concern, explains that the price cut was made "in order to make warehouse space available for a substantial quantity of raw sugar which the government has requested us to find a home for within the next 30 days."

One price cut by a single firm does not necessarily establish a trend. But this one at least indicates that the sugar situation is not as tight as it has been and that there is perhaps less danger of runaway prices in the event controls are lifted than has been generally believed.

Dealers attribute the "current troubles" in the sugar market to an over-cautious buying attitude among consumers. And that attitude may be attributed in part at least to the fact that short sugar rations have taught many consumers that they can get along on less than they used before the war.

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From Toledo (Ohio) Blade, May 2 -

THE HOUSEWIVES' BILL - Editorial - Passage by the Ohio Senate of a bill which would permit the sale of yellow-colored margarine in the state does not mean that it will get through the more rural-minded House of Representatives. But it does show that, at long last, one branch of the Legislature is showing more consideration for the housewives of Ohio than for the special privileges of the dairy interests.

While the chances of getting this bill through the House -- where members from the rural districts think it's all right for the dairy interests to hold up consumers but would see red if labor unions tried the same thing -- seem dim. There's still a chance that the housewives of the state can put it over. If they will only spend as much time bombarding their representatives in the House with pleas to pass this measure as they do in beating color into margarine, perhaps they can eliminate this legislatively-made work for which women workers don't receive a cent.

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MAY 15 1947

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 13 -

WHEAT PRICE DROP SEEN OF 40 TO 60C BY HARVEST-Louisville-Emmett Loy president of the American Millers Association, today predicted a wheat price drop of 50 to 60 cents a bushel by harvest time.

Addressing the association at the beginning of a two day meeting here, Mr. Loy declared: "The gravy train is coming to an end within the next twelve months. The grain prices are far higher in relation to other commodities than they were after World War I. Next year is an unknown quantity."

Mr. Loy also predicted the possibility of price cutting after the Government's buying program for export purposes ends.

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CALLS '47 CROPS FOOD PRICE KEY-Chicago-Stabilization of food prices is unlikely until distributors know what prices will be set on raw and finished products from the 1947 harvest, Nathan Cummings, president of the Consolidated Grocers Corporation declared today. Meanwhile, there will be considerable apprehension regarding stocks on shelves and in warehouses.

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PUERTO RICO TO SELL FOOD: GOVERNOR SIGNS BILL SETTING UP STORES TO CUT PRICE RISE-San Juan-Gov. Jesus T. Pinero today signed a bill authorizing the Insular Government to establish and operate retail stores to protect consumers against "the constant rise in the prices of staple commodities."

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BRITON SAYS RUSSIA PLANS FOOD EXPORTS-London-Starting next year the Soviet Union plans to be able to export wheat and coarse grain, Harold Wilson, Secretary of the Overseas Trade Department told the House of Commons today.

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RUMANIA DENIES SENDING U.S. WHEAT TO RUSSIA-Bucharest-The Government denied today reports that it said, had appeared in the American press to the effect that Rumania had delivered to Russia 400 carloads of white flour milled from American wheat imports.

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GI FARM BUYERS WARNED: CREDIT HEAD SAYS MANY VETERANS PAY FOR TOO MUCH-Washington-I. W. Duggan, governor of the Farm Credit Administration said today many war veterans were paying high prices for farms which in ten years probably would be worth less than the loans granted for purchase of the properties. He testified before a Senate Agriculture group in behalf of legislation which would enable Federal land banks to make loans to farmers.

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From Wall Street Journal, May 13 -

RECORD WHEAT EXPORTS WILL BE MOVED OVERSEAS FROM THE U.S. THIS YEAR-
The expected mammoth crop of some 1.3 billion bushels of wheat now has 'agriculture Secretary Anderson thinking of total grain exports topping 500 million bushels in the 1947-48 (mid-year to mid-year) season. Of this, a minimum of 400 million bushels (including flour) will be wheat--if the big crop materializes.

Privately, Secretary Anderson worries whether it will be physically possible to export enough wheat to keep prices above the Government "support" levels. He fears the CCC may have to make loans on millions of bushels.

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FREIGHT CARS AND GRAIN BINS WILL BE SWAMPED AS WHEAT FLOODS FROM FIELDS-
Harvesting will be in full swing by mid June. And the harvest time congestion of recent years will be repeated--on a vaster scale. Grain men say that unless more freight cars are moved into the Southwest, much wheat is sure to be piled in the open on the ground.

The lack of freight cars and storage space reflects not so much a shortage of these by normal standards as their insufficiency in the face of the latest U.S. agricultural phenomenon--billion bushel plus wheat crops.

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VEGETABLE CANNING is headed for cutbacks this year. Early government surveys indicate pickle packers will cut operations 11% from last year. Kraut contracts so far call for 46% less cabbage this year than last. Beet plantings are indicated down 32%, spinnach 26%, tomatoes 1%, snap beans 7%, and peas 4%. Present big stocks of canned food and slow retailer buying make packers nervous.

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SUGAR PILE UP keeps abuilding on the East Coast. It has reached the point where some big refiners have cut operations to four days a week. The refiners worry over the thought long years of sugar rationing have gotten Americans into the habit of using less sugar. They look wistfully forward to hot summer months, heavy soft drink consumption, and perhaps decontrol to give them a helping hand.

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HOGS FATTEN fast on a salty diet. So say pig pen experimenters of Purdue University. The fed porkers one third ounce of salt a day in the daily ration. And they claim that the pigs getting the salt gained weight two and a half times as fast as pigs on a saltless menu. For each pound of salt fed, say the experimenters, a hog gained 45 extra pounds. The hogs don't eat more; but they get more poundage from what they eat.

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From Little Rock Arkansas Gazette, May 6 -

DOUBTS THAT FOOD PRICES WILL DROP - Present costs will prevent any large reductions in overall food prices this year, Watson Rogers of Washington, D.C., president of the National Food Brokers Association, said here yesterday.

Mr. Rogers, who flew to Little Rock to address the Arkansas Wholesale Grocers Association at its annual convention, believed there would be only "minor adjustments" in prices.

He cited the increased cost of labor, cans, labels, freight rates and taxes. These raises will force some groups involved in the production and merchandising of food to absorb a loss if prices are held at the 1946 level, he said.

Mr. Rogers said canneries were contracting for produce acreages at the same prices paid last year. This means there likely will be no drop in raw food prices.

He said food processors were increasing their lines, but had discovered no major new foods in the last year. Foods developed during the war that were suitable for civilian use were placed on the market a year ago he added.

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From Topeka, Kan. Capital, May 4 -

URGES FARMERS TO TAKE ADVANTAGE OF TRANSITION PERIOD; CAPPER FARMER EDITOR GIVES FOUR-POINT PLAN FOR GAIN PROTECTION - Farmers can make their position more secure for the future if they will take advantage of the present transition period to make their business more efficient, get rid of unprofitable operations and avoid needless risks; according to Ray Yarnell, editor of Capper's Farmer.

Yarnell suggests the following four-point program by which a farmer can protect his present gains:

1. Resist buying high-priced land, especially on credit. Top-quality management will be required to show a profit from operating land bought at current prices, if demand slumps and farm product prices decline, or even if they don't.

2. A farmer will be smart to pay off or reduce his farm mortgage debt if he has the money.

3. If he can't pay off his debt, it will be to his advantage to arrange for payment over a long period, 15 to 25 years, with the privilege of reducing it by making annual payments on principal.

4. A farmer can try to do a better job of operating his farm business, to find ways to increase production per worker and reduce unit costs.

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From Oakland (Calif.) Tribune, May 1 -

CITRUS BLAMED FOR TOOTH DECAY - Citrus fruits, except oranges, are potential causes of teeth erosion, Dr. Leonard Fosdick of the North-western University, Chicago, reported to the California Dental Association yesterday in San Francisco.

Acids attack tooth structures only when they are sufficiently strong to bring about chemical changes in the hard substances which make up the enamel, he said. Whether citrus fruits could contribute to the process would depend, he added, upon their ability to reinforce the acid strength which varies widely among individuals.

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From Grand Forks (N.D.) Herald, May 3 -

U. S. LAND NEEDS MORE FERTILIZER - Take out three and put back one. That's the way our present farming practices are dealing with plant nutrients in the soil.

Farmers will add about three million tons of the principal plant nutrients through their applications of commercial fertilizers this year. The crops they harvest will remove about nine million tons.

The amount added in animal manures, green manures, and other forms can only be estimated; but the amount lost through crops grazed off the land, through leaching, and through erosion is estimated several times as high.

A bill to establish a national soil fertility program has been introduced into the congress by Representative John W. Flannagan, Jr., of Virginia.

The bill would do two principal things: first, enable farmers to learn the kinds and amounts of fertilizers that can profitable be applied, through a system of test demonstrations in which the farmers themselves would participate; second, stimulate the production of more fertilizer materials to meet the demand that the test demonstration program would create.

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From Waterloo (Iowa) Courier, May 4 -

WHEAT CAUSES HIGH PRICES - Editorial - The trouble with such schemes as the Newburyport, Mass., 10 per cent retail price cut plan is that it attempts to deal with the symptoms of high prices rather than with the cause.

The truth of this observation may be very easily proved by figures of the bureau of labor statistics. For instance:

Prices of farm products have advanced 197 per cent while the retail prices of food have increased only 95 per cent.

The price of raw cotton has increased 267 per cent while the retail price of clothing has increased only 80 per cent.

Reductions in the retail prices of food and clothing, obviously, can be made only if (1) merchants, wholesalers and manufacturers can safely reduce their profits or costs, (2) the distribution system can be made more efficient or (3) the producers of raw materials will accept a smaller return.

The consuming public, naturally, wants all of those things to happen. Price reductions which come as a result of greater efficiency, productivity and competition are to be welcomed and are sound. But price reductions which attempt by a bookkeeping operation to force a nationwide drop in the price level can have no more than temporary value.

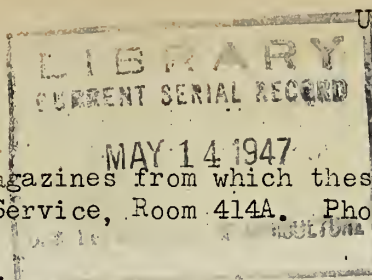
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From Wilkes-Barre (Pa.) Times-Leader News, May 5 -

THRIFT GARDENS - Editorial - This year, it's to be Thrift Gardens. They will replace the Victory Gardens that were cultivated by 20,000,000 Americans during the recent conflict as a special contribution toward the war effort.

Behind Thrift Gardens are two lofty purposes: Reducing the high cost of living and checking inflation. There are other dividends as well, such as the satisfaction of home-grown products, the thrill of watching things grow and the improvement of yards and idle plots.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 9 -

RUSSIA TO GET FLOUR IN RUMANIA; U. S. CHECKS FAMINE RELIEF TERMS - Washington - The American Mission in Bucharest informed the State Department today that Rumania, in response to Russian demands, was about to deliver 400 freight car loads of wheat flour for use of the Soviet forces of occupation in that country.

The State Department is now checking these reports that grain is being shipped from Rumania to Russia. If these are found to be true, the Department said, we would have no recourse except to stop shipping our grain to Rumania because a definite promise was made that, in contrast to flour, no grain would be shipped out of the country.

FOOD COUNCIL BIDS PERON AID EUROPE - Washington - The International Emergency Food Council has asked the Argentine Government to "exert every effort" to bring grain exports to hungry Europe up to a million tons a month for the next three months.

D. A. FitzGerald, secretary general of the council announced today that this had been done through a strongly-worded cable message he had sent to President Peron.

ASIAN AREAS FACE GRAVE RICE DEFICIT - Singapore - Rice allocation officials of sixteen countries, meeting in Singapore, today predicted seriously shortened supplies of Asia's staple food in the next six months.

Furthermore, they revealed, as the first half-year draws to a close only 62 per cent of the already meager rice allotments to South-east Asia for the January-June period has been made available for shipment.

CLAY READY TO USE ARMY IN FOOD CRISIS; BLAMES SHIPPING DELAYS - Berlin - Gen. Lucius D. Clay confirmed today that he was ready to use troops, if necessary, to prod German farmers into action in the current food crisis in the American and British zones. At the same time he emphasized that the major portion of the food shortages resulted from the failure of food shipments from the United States to arrive here on schedule.

MAP LOWER PRICES; INDUSTRIES URGED; CARPET EXECUTIVE WANTS FOOD SUBSIDIES DISCONTINUED - Natural Bridge, Va. - American industry needs a better and broader understanding of human relations and real business statesmanship if the free enterprise system is to succeed and survive, Joseph L. Eastwick, president of the James Lees & Sons Co., declared here tonight at a celebration marking completion of his company's new carpet mills in nearby Glasgow.

Addressing a group of editors, radio commentators and Government officials, Mr. Eastwick said "inflation could not be halted until Government subsidies that keep food prices at artificially high levels are discontinued.

From New York Journal of Commerce, May 9 -

SUGAR ACTION AWAITED - Washing sugar officials were reported to be in session yesterday considering a plan of action to alleviate the sugar surplus supply problem in first hands. It is said that the valid date of the next ration stamps and certificates may be advanced as one step to get sugar moving into consumer channels.

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COTTON EXPORT SUBSIDY REDUCED TO HALF CENT - Washington - The Government's cotton export subsidy rate was reduced from 2c to $\frac{1}{2}$ c a pound, effective at 3 P.M., Eastern Standard Time, today.

The action was announced by the Agriculture Department which handles the program. It was taken as domestic supplies dropped to the lowest level in nearly 20 years.

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From New York Wall Street Journal, May 9 -

YOUNG, C & O CHAIRMAN, ASKS \$2 DAILY BOX CAR RENTAL TO CUT SHORTAGE - Washington - Robert R. Young, chairman of the Chesapeake & Ohio Railroad, said yesterday that a \$2 daily rate on box car rentals would help solve the long range car shortage.

Mr. Young, who is also chairman of the new federation for Railway Progress, made this suggestion before a caucus of western Congressmen. The group is investigating charges that "an eastern financial-political combine is depriving western carriers of vitally needed freight cars."

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SUGAR PRICES MAY RISE AFTER DECONTROL, MACK OF PEPSI-COLA SAYS - Wilmington, Del. - Possibility of a price rise in sugar following decontrol was expressed by Walter S. Mack, Jr., president of Pepsi-Cola Co. Mr. Mack told stockholders at the annual meeting the nation's sugar supply should be "ample" after the decontrol scheduled for October 31 next. If sugar prices rise after decontrol, Mr. Mack said, the price should level off soon.

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From New York Herald Tribune, May 9 -

WHOLESALE FOOD PRICES SHOW FURTHER DECREASE - The Dun & Bradstreet weekly wholesale food price index declined further in the week ended May 6 and stood at \$6, compared with \$6.02 in the previous week and \$4.20 in the like week last year, it was announced yesterday.

The daily wholesale price index of thirty basic commodities closed at 253.39 on May 6, compared with 253.35 a week earlier, and 189.28 on the corresponding date a year ago, Dun & Bradstreet reported. In general, price movements were less severe in commodities during the week, it was said.

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From Omaha (Nebr.) World Herald, May 1 -

AGRICULTURE NOW IN ITS BEST SHAPE - Agriculture in the Missouri Valley is in the best condition it has ever been.

Paul H. Stewart, agronomist, Robinson Seed Company, Waterloo, Nebr., told the Real Estate Board that Wednesday.

Farming is coming of age. Farmers realize that soils will wear out and need attention, Mr. Stewart said.

He spoke of the work of the Nebraska Agricultural College and The World-Herald to promote soil and moisture conservation.

The farmers themselves are providing the steam for soil conservation, he stressed.

Mr. Stewart stressed the development of better crop varieties. The production of hybrid corn has become an important industry. It has increased the corn yield in Nebraska 40 million bushels.

Mr. Stewart cited the Omaha alcohol plant as an illustration of what chemistry is accomplishing. He urged the real estate men to support research along this line.

From Billings (Mont.) Gazette, Apr. 30 -

FLOORS FOR FARMERS - Editorial - Secretary of Agriculture Anderson, appearing before the house agriculture committee, made it clear that the administration has turned its back on production controls as a means of insuring the nation's farmers a fair return on their crops. But he made it equally clear that he favors governmental action, and on a broad scale, to attain that objective.

Anderson proposed a long-range program to encourage farmers to produce in abundance by committing the government to set "floors under consumption" as well as under prices. Such floors, he said, could be provided by "a surplus distribution program or perhaps some sort of food allotment program available at all times -- something flexible enough to meet both chronic and acute deficiencies in buying power." He thinks that the school lunch program is a good start but does not go far enough.

What he has in mind, evidently, is increasing the food-buying capacity of the poor, especially in depression times, by handing out stamps that could be used in the stores to buy farm products designated as surplus. The government would redeem the stamps and take the loss involved which might run to \$1,500,000,000, according to studies made by the department, in addition to \$600,000,000 a year for school lunches.

This system was in vogue during the 1930's and made more food available to those on relief at cut prices while those not on relief paid much higher prices. Secretary Anderson was not talking about returning to free agriculture. He was discussing a plan to use government funds to help farmers.

From Poughkeepsie New Yorker, May 2 -

ECONOMY OF ABUNDANCE - Editorial - Secretary of Agriculture Anderson has proposed a realistic farm program to succeed the wartime price-support setup. It is based on the theory that food should be grown in abundance and consumed the same way.

This is quite a departure from the present practice of maintaining artificial high prices and dumping surpluses, as well as from the prewar economy of scarcity, which paid farmers for lowering the food supply to match lowered buying power. Mr. Anderson would put a floor under consumption and make "some sort of food allotment program available at all times."

From Boston Christian Science Monitor, May 1 -

A FRESH SLANT ON THE FARM PROBLEM - Editorial - One thing seems certain: When the present Federal program for supporting the price of farm products expires at the end of 1948, some other agricultural stabilization legislation will take its place. To talk about other possibilities appears as academic as to expect completely tariffless foreign trade or wage rates rising and falling in a "free" labor market. Furthermore, because the farmer cannot adjust his production quickly to fluctuations in demand, and because he is so utterly essential, the American people are unlikely to toss him overboard to sink or swim.

The question is, therefore, not whether there will be a new program, but what kind.

Secretary of Agriculture Anderson's outline for a new approach is likely to get a sympathetic hearing. He would stabilize consumer demand for farm products, instead of regulating supply and supporting prices. In times of depression at home he would bolster the buying power of inadequate incomes by extensive use of the food stamp system. He would undertake agreements providing for sale of surpluses abroad at cut prices to needy countries.

Obviously, many difficulties of administration stand between the idea and a practicable execution. But in just venturing to walk around the farm problem and to look at it with some imagination from the other side, Mr. Anderson has made a contribution of some proportions.

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From Schenectady (N.Y.) Union-Star, May 1 -

MIDDLE CLASS CONSUMERS DESERVE A BREAK, TOO - Editorial - We have never been anything but whole-heartedly in favor of assistance for the unfortunate, but we believe there is a danger in so administering this help as to degrade.

This thought follows the suggestion of Secretary of Agriculture Anderson that a program be worked out under which certain low income groups would receive the benefit of government subsidy programs designed to make production of food an incentive to farmers. One seeks amendment to the Anderson suggestion with some trepidation lest such a stand be misinterpreted.

We have deplored the existence of "want amidst plenty" ever since seeing the long lines at the Surplus Commodity depot across Clinton St. from the Union-Star back in depression days. Why that should be when production was plentiful to a degree that induced government payment, not to grow crops, passed our comprehension. And if some such scheme, even disguised by food cards acceptable for certain commodities at any stores, is to be revived we believe it is un-American.

Another element is that the numerous middle class on which American prestige and prosperity have been built, feels a pinch. The so-called underprivileged get pretty good attention. Those of moderate income who want to pay their own way just can't afford the cost.

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From Albuquerque (N.M.) Journal, Apr. 30 -

ESSENTIAL WATER STEP - Editorial - Secretary of Agriculture Anderson went to "bat" for the people of the Middle Rio Grande Conservancy District in appealing to President Truman Tuesday for a completion of the report on the Rio Grande problem which has been under study for several years now. This report must be laid before Congress as the first initial step in the fight for appropriations for flood control and rehabilitation of the irrigated land in the valley. Congress then will have something on which to act.

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DAILY FARM NEWS DIGEST
14 (For May 8, 1947)

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 8 -

INQUIRY ON PRICES BEGINS IN CONGRESS: ECONOMIC COMMITTEE ISSUES QUESTIONNAIRE TO 600 HEADS OF AGRICULTURE, INDUSTRY, LABOR, OTHERS-Washington-Beginning its long awaited examination of the price situation, the Congressional Economic Committee today issued a questionnaire on prices to be distributed to some 600 leaders of industry, trade, agriculture finance and labor.

The questionnaire was the first active step by the group, formally known as the Joint Committee on the Economic Report, aside from a formal statement by Senator Robert A. Taft, Republican, of Ohio, following issuance of the President's economic report early in January.

The Congressional committee was established to follow up with legislative recommendations the material in the President's report on the existing situation and prospects for the country's economic welfare.

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GERMANY'S HUNGER AT PEAK: - Berlin - Two years after the end of the war in Europe, the British and American Military Governments face the worst food crisis in the history of the occupation of the two zones.

The situation is so bad in the British zone that ironclad news blackouts have been ordered. The American officials are also deeply concerned over the deteriorating conditions in their zone.

Throughout the merged zones, rations for the ordinary population are about 200 to 300 calories short of the standard 1,550 daily schedule.

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FOOD CRISIS SEEN IN BRITAIN-London-Great Britain faces a food crisis as critical as the coal shortage that crippled her industrial power last winter, Lord Woolton, Minister of Food in wartime coalition Government, warned in the House of Lords today.

Lord Woolton said that the stocks of wheat on hand were insufficient for more than five to seven weeks, and that the meat supplies were so precarious that butchers soon might be unable to honor the housewives' meat coupons.

The food debate followed a sensational article by Dr. Franklin Bicknell, physician and nutritionist, who wrote in a medical journal that "England is dying of starvation."

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BARS EXCHANGE CLOSING: MCINTOSH REJECTS TURPENTINE GROUP'S PLAN TO STEADY PRICES-Savannah-The Savannah Naval Stores Exchange turned down today a proposal by Harley Langdale, president of the American Turpentine Farmers Association, that it close until turpentine prices were steady.

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From New York Times, May 8 -

POTATO PEST HERE BAFFLES EXPERTS-Few stowaways ever have been subjected to as thorough and microscopic an investigation as Government agents have turned on the golden nematode, yet the Agriculture Department admitted yesterday that it still was baffled on how the potato pest came from Europe to Long Island.

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From N. Y. Journal of Commerce, May 8 -

CROP INSURANCE FACES SHARP CUT-Washington- A group of Congressional agriculture policy makers is preparing to recommend that the Federal crop insurance program be slashed down the line to little more than an experimental and information gathering program next year.

A special seven man subcommittee of the House Agriculture Committee under Representative William S. Hill of Colorado is now drafting legislation calling for what amounts to a token program for 1948 crop wheat, cotton, flax, corn and perhaps tobacco, and a reduction of close to 50 percent in funds to administer the program.

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SUGAR GLUT-As sugar industry officials conferred with Government men in Washington in an effort to seek an outlet for backed up sugar supplies in first hands, some processors reduced their prices as an inducement to buyers to make new purchases. One suggestion is put forth that a new canning stamp be made available immediately, stead of July 1, in an effort to move supplies into consuming channels.

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WOOL TRADE THREAT SEEN IN DUTY RISE-Declaring that proposed legislation to impose a fee of 50 percent over existing tariff duties on the importation of wool will sound the death knell of the domestic wool industry, Bernard B. Smith, counsel to the American Trade Association for British Woolens, urged Senator Edward V. Robertson and Congressman Clifford R. Hope, the sponsors of such legislation, to withdraw that proposal from Congress.

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ONLY U.S. COTTON GOES TO GERMANY, JAPAN DURING 1947-Washington-American-grown cotton is guaranteed a favorable position in German and Japanese markets, Senator John J. Sparkman of Alabama said here today. Only American cotton, he said, will be used in Japan and the joint occupation areas of Germany during 1947.

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From Philadelphia Bulletin, May 2 -

INDEPENDENT BUTCHERS PLAN 30-DAY PRICE CUT - The 300 members of the Associated Butchers, who operate small, independent shops and corner grocery stores here, have agreed to reduce their markup on meat sales for 30 days in compliance with President Truman's price-cutting plea.

This was announced last night by Arthur E. Dennis, counsel for the association, after an executive session meeting.

Dennis said that wholesalers have increased prices last week on beef and pork. Despite this, he added, the retailers have agreed to make less profit in the hope that it will serve as an example to others in the food field.

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From Philadelphia Bulletin, May 4 -

BIG POTATO CARGO WILL GO TO SPAIN; FOUR SHIPS WILL LOAD 12,000 TONS IN PORT - Enough potatoes to supply the entire Philadelphia consuming area with that commodity for a two-week period will be shipped through the local port soon, it was reported yesterday in shipping circles.

Totaling 12,000 tons, the potatoes are consigned to the Spanish Government under a surplus commodity transaction wherein the Government stepped in and purchased them from Midwestern growers to peg the price.

Four Spanish-flag ships, the Santi, Inake, Bachi and Rita's Sister are now in port for the purpose of taking the potatoes to relieve the food shortage in their homeland.

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From Lincoln (Nebr.) Journal & Star, Apr. 27 -

FULL-STEAM PROTECTION - Editorial - Presumably Secretary Anderson plans to elaborate later on that part of his proposal for full-steam farm production which would provide for sale of surplus commodities to needy countries abroad at special prices. He barely mentioned it in his Monday appearance before the house agriculture committee when he described a system of guaranteeing farm markets thru enabling the poor, at home and abroad, to buy at all times.

He elaborated on the foreign angle only by adding:

"It seems inevitable that we will continue to need regular and sizable foreign markets for cotton, wheat, tobacco, lard, rice and certain fruits and vegetables. . . . We need the benefits of an international organization to reduce trade barriers and to provide a world clearing house for commodity agreements which preserve the principle of international economic collaboration without running contrary to domestic policy."

This was the first official statement to the American public of an idea which has been fermenting in the FAO (Food and Agriculture Organization) of the United Nations. It is part of a revolutionary new way of thinking about world trade, a corollary of the idea that, if there are surpluses of food anywhere in the world, and if people are hungry anywhere, the United Nations must provide a bridge thru which one can reach the other.

The details have not been worked out -- the whole idea is still as vague as is the knowledge of whom food surpluses will exist, and involves problems which seem almost unsolvable. The backbone of such an arrangement would seem to be a system whereby American products would sell at world prices regardless of their fall below domestic prices, either thru government subsidy, United Nations subsidy, or thru a concept of exports as a sort of "secondary production."

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From Terre Haute (Ind.) Star, Apr. 29 -

ECONOMY OF ABUNDANCE - Editorial - Secretary of Agriculture Anderson has proposed a realistic farm program to succeed the wartime price-support setup. It is based on the theory that food should be grown in abundance and consumed the same way.

This is quite a departure from the present practice of maintaining all artificial high prices and dumping surpluses, as well as from the prewar economy of scarcity, which paid farmers for lowering the food supply to match lowered buying power.

Mr. Anderson would put a floor under consumption and make "some sort of food allotment program available at all times." With such a flexible setup, neither a temporary slump nor a depression would have to mean lack of food for the poorly paid or employed. Farmers could raise food in the knowledge that it would be eaten. Instead of paying the farmer for not producing, the government would buy food for those who couldn't afford it.

In addition, the secretary would like to see this government enter into agreements with other countries for the sale of our food surpluses at reduced prices. It seems likely that Mr. Anderson's former congressional colleagues will give his plan consideration when they start writing a new farm bill.

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From Baltimore (Md.) Sun, May 3 -

A GLEETING WORD ABOUT THE ECONOMIC PROSPECTS - Editorial - Dr. Lionel Edie has been saying some soothing things to the Senate Finance Committee and his remarks are worthy of comment. An economist and investment counselor of repute, Dr. Edie declines to join those of his colleagues who see a sharp recession in the offing. It could happen, of course, just as foolishness in any line can bring on disaster. But with fair-to-middling wisdom on the part of all parties to the economic process, Dr. Edie thinks we may be able to even off at a high level of prosperity on a reasonably enduring basis.

But what about high prices? Dr. Edie thinks their explanation is fairly simple. There has been a tremendous expansion in purchasing power. Of this there are all sorts of signs. Money in circulation is up from around \$7,000,000,000 in 1939 to around \$28,000,000,000 now. In the years of even the highest taxes, half the cost of the war was financed by borrowing, largely through the banking system. This led to a "monetization of the debt" because as Government securities soaked into the banking system they worked to expand banking reserves. Banking reserves in turn supported an expansion of banking credit from six to ten times as large.

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From Pittsburgh (Pa.) Post-Gazette, Apr. 29 -

FOOD AND INFLATION - The big factor in America's runaway cost of living is food. Since 1939 food prices have risen 140 per cent, compared with only 61 per cent for other prizes. Food prices account for about 70 per cent of the increase in the consumers' price index since January 1, 1946. The reason for all this is simple: an unprecedented foreign demand coupled with an unprecedented domestic demand.

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From New York Times, May 7 -

HAHN SEES ADVANCE IN PRICES CHECKED: TELLS RETAIL GROUP IN DETROIT FROM NOW ON REDUCTION SHOULD BE POSSIBLE-Detroit-It appears evident that retailers have succeeded in stopping the upward movement of prices and from this point it should be possible gradually to bring about a reduction, Lew Hahn, president of the National Retail Dry Goods Association said today at a meeting here of the Retail Merchants Association.

"At this moment, however," Mr. Hahn added, "we cannot be sure that the forward movement of prices may not be resumed. Some manufacturers have canceled proposed price increases and are waiting to determine whether or not price rises will become necessary."

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U.S. URGED TO KEEP FLOUR EXPORT CURB: MOVE WOULD INSURE CAPACITY OPERATION OF MILLS IN '47-'48, FEDERATION IS TOLD-Chicago-Extension of Government export controls beyond June 30 was urged today to insure capacity operations in United States flour mills during the 1947-48 crop year. Atherton Bean of Minneapolis, vice president of the International Milling Company, informed the Millers National Federation in convention here that heavy shipments of flour abroad would be assured, at least for the next year, if controls were continued. American labor, farmers and the milling industry would benefit by the move, he declared.

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BRITAIN DYING OF STARVATION, EXPERT ON NUTRITION STATES-London-Britain is a nation slowly dying of starvation, Dr. Franklin Bicknell, member of the Royal College of Physicians and noted nutritionist, asserted today in an article in The Medical Press, one of the major organs of the medical profession.

Dr. Bicknell said that the average Englishman consumed no more than 2,100 calories a day, instead of the minimum of 3,000 that he held to be necessary. He added that Britain was the "worst fed nation in western Europe--including Germany."

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RUSSIANS INCREASE CROPS: RADIOACTIVE ELEMENTS SAID TO HAVE CAUSED RISE IN YIELDS-London-The Moscow radio said today that Russian agriculturist had increased the yield of rubber plant and sugar beet harvests by the use of radioactive elements. Quoting Alexander Vinogradov director of the Geochemistry Institute the broadcaster said experiments had shown "radioactive elements raise the harvest yield, accelerate blossoming and ripening of plants and increase the carbohydrate content." A sugar beet harvest "rose from 155 to 175 hundredweight, while the sugar content increased from 14 to 22 percent," he said, after beets were subjected to the action of radioactive elements.

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From N.Y. Journal of Commerce, May 7 -

SUGAR QUOTA RISE SOUGHT FOR CUBA-Washington-Secretary Anderson has asked Congress to review the sugar quota law with a view to a possible increase in the Cuban share of the United States market.

In a letter to the President of the Senate and Speaker of the House, the Agricultural Secretary urged early hearings although quotas have been suspended since 1942 and Anderson said he regards it as "extremely doubtful" they will be needed before 1949.

The act establishes fixed shares of the American market for sugar exporting nations and for the beet and cane producing areas of this country. Its purpose was to stabilize the price of sugar.

The quotas--the amount of the market allotted to various domestic and foreign producers--were suspended during the war because of the world shortage of sugar.

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HIGH PRICES LAID TO US GRAIN BUYING-Washington-The Administration was today charged in Congress with responsibility for bringing about high price levels.

The accusation was made by Representative August H. Andresen (Rep. Minn.) who declared that while the Administration was appealing to business to slash prices, it had itself contributed to the inflationary spiral by "ill-timed and reckless buying" of grains and other foods for shipment abroad.

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GRAIN TRANSPORTATION SITUATION BEST IN YEARS-Washington-The Office of Defense Transportation announced today that the United States is now, at the beginning of the 1947 grain season, in a better position with respect to transportation of the new grain crop than in any year since 1944.

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URGES TURPENTINE LOAN PROGRAM-Savannah-Harvey Langdale, president of the American Turpentine Farmers Association, announced today his organization would seek restoration of the Government loan program on turpentine and rosin.

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SOUTH NEEDS NITRATES-A Journal of Commerce survey of the cotton belt indicates that in all sixteen Southern States nitrate fertilizers are approximately 20 percent short of the requirements of cotton farmers. Potash, on the other hand, is in easier supply only Alabama and North Carolina reported shortages.

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From Wall Street Journal, May 7 -

TWO MORE COMPANIES ANNOUNCE PRICE CUTS-Two companies announced price reductions on their lines yesterday. Matheny & Bacon, Inc. of Seattle, one of the largest building supplies in the Northwest, announced they were cutting prices of new building material by 25% to 50%. The company said their lumber will go down by \$6 to \$14 a thousand feet.

The Electric Hose & Rubber Co. of Wilmington, Del. reduced prices by an average of 18.3% on its entire line.

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From Memphis (Tenn.) Commercial Appeal, Apr. 29 -

INCREASE IN COTTON FROM EGYPT IS ASKED; TARIFF GROUP URGES 50 PERCENT QUOTA BOOST - Washington - A 50 per cent increase in the quota for importation of Egyptian cotton into this country has been recommended by the Tariff Commission, it was learned Monday.

The commission, in its report to President Truman, recommended a quota for the next cotton year of 23,000,000 pounds, an increase of roughly 50 per cent over the present quota.

Although the report is classified as "confidential" until it is released by the White House, it was understood that officials of the Department of Agriculture are studying it now. Secretary of Agriculture Anderson will use this study as the basis for his recommendations to President Truman.

It is regarded as almost certain that Secretary Anderson will oppose any such large increase as recommended.

The Tariff Commission's recommendation was the result of a one-day hearing several weeks ago on the petition of certain cotton importers and mill interests for an increase in the quantity of Egyptian imports.

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From Ft. Wayne (Ind.) Journal-Gazette, Apr. 30 -

LUMBER DEALERS SAY BUILDING BOOM FIZZLED - A building boom which many people expected this year has failed to materialize, according to members of the Lumber and Supply Dealers Club which met yesterday. The figures to date for the current year are running behind those of last year for the same period, it was said. Many items needed in building are still hard to get and unfavorable weather was thought to be a factor.

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From Tampa (Fla.) Tribune, Apr. 30 -

MASTER CITRUS BRAND SIMILAR TO 'SUNKIST' PROPOSED FOR FLORIDA - Lakeland - A revolutionary plan to set up a Florida citrus "master brand" with slightly higher maturity standards to be promoted by increased advertising taxes, was proposed at a meeting of the industry's powerful legislative committees here today.

With a name for the all-Florida brand still to be found, the idea is to push a brand of Florida citrus in the same way California has promoted "sunkist" oranges.

The committees will meet here again Monday afternoon to decide what, if any, formal legislation will be presented to the current session of the legislature based on the plan offered today.

Advocates of higher maturity laws won a point in recommending that the master brand of oranges have a minimum solids content of 8.7 per cent for both natural and color-added fruit. Minimum solids percentage on natural color oranges is now 7.5 for color-added.

To exploit and promote the new brand, which could be used optionally by the state's citrus shippers, the plan would raise the advertising tax on oranges from two cents to three cents per box and on grapefruit from three cents to four cents per box.

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From Cincinnati (Ohio) Times-Star, Apr. 30 -

WHAT ABOUT FARM PRICES? - Editorial - Pessimists complain that the campaign for lower prices at the retail level is suggestive of King Canute's order to the waves. The retailer can point to high wholesale prices, the wholesaler points to high manufacturing prices and the manufacturer points to high labor costs and low labor output. To cut through this endless and futile round the Senate-House Committee on the economic report announces that it will study the problem of high prices and will concentrate upon high farm and food prices.

All the excitement over the Newburyport Plan ignores the fact that farm and basic food prices are the worst devil of the piece. Since 1939, for example, iron and steel prices have gone up about 30 per cent, or less than wages. General commodity prices, apart from food, have risen about 60 per cent. Food prices are up 140 per cent and farm prices 180 per cent. Food costs are responsible for 70 per cent of the climb in the cost of living since the beginning of 1946.

The joint Congressional committee will try to do two things: discover the causes of high farm and food prices and see what can be done to bring them down. The problem of cause is the topic of a hot controversy. Many observers blame Government farm subsidies, which aim at "farm parity." President Truman and many other flatly deny this, pointing out that basic farm prices are well above the "support" levels. They blame the price rise in the market basket on heavy foreign relief demand, coupled with unprecedented home demand.

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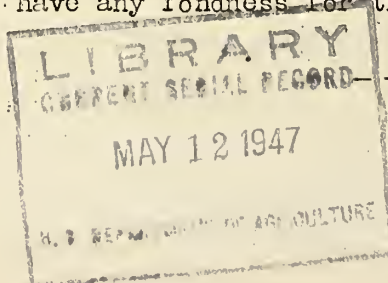
From Philadelphia Bulletin, May 1 -

FARM PROSPERITY - Editorial - With more money in his pocket than ever, the midwestern farmer displays little resistance to high prices. High food costs, which now take up about 40 per cent of the average city man's income, can be almost forgotten by a midwestern farmer. What the farmer has to buy has increased less than what he has to sell, as the parity price index shows.

This farm prosperity is not universal or evenly spread. Its peak is in California and the midwestern States, stretching from the Canadian border to Texas. High grain and cattle prices have done less to boost the farmers' income along the Atlantic coastline. But it is probably true that Pennsylvania and New Jersey farmers are not fighting in the front lines of the buyers' resistance. Most of them are better off than they have been in years, although there are individual exceptions.

With farm labor at record wages, thousands of farmers are investing in labor-displacing new machinery. The bumper crops of the last six years were harvested with fewer farmhands than the relatively smaller production of pre-war days.

Farmers need as much preaching to about high prices as business, but so far the President has shown great restraint. Neither the Democrats nor the Republicans have any fondness for that kind of a low price campaign.



Farm Digest 935-47

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Wiseacres all said Americans ate so many eggs because they couldn't get enough meat. Hen fruit consumption was expected to drop when the war was over.

Even the Department of Agriculture bet that way. It bought a lot of cackle berries on the assumption they would be surplus. It was feared the market would be glutted, and the price would go too low.

The way it worked out was that the American people bought and ate more eggs than ever before. The rate for the first three months was 100 eggs per person, 400 a year -- an egg a day with an extra every Sunday. This in spite of the fact that there was more meat available. Reason for this egggluttony was simple. People had more money. They bought more food.

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VETS ON FARMS DEFEAT TO 'ISMS,' LEGION DECLARES - The establishment of large numbers of veterans on farms would go far to defeat the growth of "isms" in the United States, Tennessee American Legion officials believe.

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From Dubuque (Iowa) Telegraph-Herald - May 2 -

WHO STARTS IT? - Editorial - Whether food and farm prices must come down before industrial prices can be reduced, or vice versa, is a good bit like the old riddle of which came first -- the chicken or the egg? The argument has now reached the stage of vicious circle.

Labor demands higher wages because food prices stay high. To check labor's demands, the President says prices must come down. Manufacturers say they can't cut because raw material costs on cotton, wool, fats and oils, hides, etc., keep going up. Farmers say they can't cut because costs on clothing, machinery, fertilizer, and other things they buy keep going up. Also, both farm and industrial employers say wages are so high they can't cut costs, and furthermore labor is now making new wage demands.

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From Sioux City (Iowa) Journal, May 7 -

PERHAPS A WHEAT SURPLUS - Editorial - Damp, cool weather which so seriously has interfered with seeding of spring crops all through this territory is ideal for wheat. Perhaps this is the chief reason why latest government estimates on the winter wheat crop predict 247,401,000 bushels for Kansas, some 30 million bushels above the big 1946 yield, and an increase of 8 million bushels in winter wheat output for Nebraska.

If the nation's total wheat crop amounts to the 1,350,000,000 bushels the government now considers probable, an allotment of 350 million bushels for export to foreign shortage areas will not be out of line. Until this foreign demand is supplied, or production increased in devastated lands, there is little danger of over-production by American farmers.

Considering the probability that this year's wheat crop will be ample for all needs, perhaps sufficient to cause the government to recommend a reduced acreage next year, planned attempts to augment production in years ahead are likely to bring bad results. The danger of plowing up natural range land to attempt its use for farming purposes should have been driven home sufficiently by the dust bowl experiences which followed earlier experimenting in that direction. Let those considering that sort of program try checking back in history only a few years before going into it.

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From Philadelphia (Pa.) Inquirer, May 12 -

FOOD CRISIS ABROAD CALLS FOR BUMPER U. S. CROPS - Editorial - Hamburg's huge "food demonstration" on Friday dramatized a situation of steadily increasing danger throughout Europe which must be met.

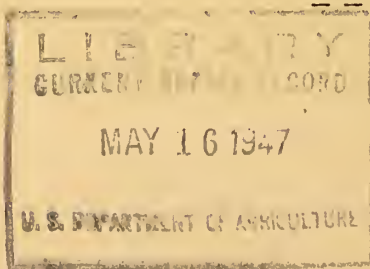
Conditions had enough in any event have been made infinitely worse by a bitter winter, complicated by floods which have heavily reduced spring food stocks.

In the British Isles and on the Continent, except for Denmark and a few other areas, the daily food allowance is sharply below the 3000-calorie minimum held essential by nutritional experts for the average man.

The British provision is 2100 cal a day. A physician declared Britain was a nation "dying of starvation." In some parts of Europe, particularly in Germany, elements of the population are far below even 2100 calories. A German trade union leader at Hamburg cried out. "We want to tell the world that a man with 800 calories cannot live."

In America huge crops will be essential if our Government, in conjunction with others, is to be in a position to head off starvation and disorders and, perhaps, make some headway toward real improvement of the postwar food situation abroad.

That's up to the American farmer to a vitally important extent. He has shown on many occasions that he can produce on a huge scale. He must, by all odds, do so in this grave world situation.



Farm Digest 985-47

MAY 13 1947

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From New York Times, May 13 -

WHEAT PRICE DROP SEEN OF 40 TO 60C BY HARVEST-Louisville-Emmett Loy president of the American Millers Association, today predicted a wheat price drop of 50 to 60 cents a bushel by harvest time.

Addressing the association at the beginning of a two day meeting here, Mr. Loy declared: "The gravy train is coming to an end within the next twelve months. The grain prices are far higher in relation to other commodities than they were after World War I. Next year is an unknown quantity."

Mr. Loy also predicted the possibility of price cutting after the Government's buying program for export purposes ends.

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CALLS '47 CROPS FOOD PRICE KEY-Chicago-Stabilization of food prices is unlikely until distributors know what prices will be set on raw and finished products from the 1947 harvest, Nathan Cummings, president of the Consolidated Grocers Corporation declared today. Meanwhile, there will be considerable apprehension regarding stocks on shelves and in warehouses.

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PUERTO RICO TO SELL FOOD: GOVERNOR SIGNS BILL SETTING UP STORES TO CUT PRICE RISE-San Juan-Gov. Jesus T. Pinero today signed a bill authorizing the Insular Government to establish and operate retail stores to protect consumers against "the constant rise in the prices of staple commodities."

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BRITON SAYS RUSSIA PLANS FOOD EXPORTS-London-Starting next year the Soviet Union plans to be able to export wheat and coarse grain, Harold Wilson, Secretary of the Overseas Trade Department told the House of Commons today.

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RUMANIA DENIES SENDING U.S. WHEAT TO RUSSIA-Bucharest-The Government denied today reports that it said, had appeared in the American press to the effect that Rumania had delivered to Russia 400 carloads of white flour milled from American wheat imports.

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GI FARM BUYERS WARNED:CREDIT HEAD SAYS MANY VETERANS PAY FOR TOO MUCH-Washington-I. W. Duggan, governor of the Farm Credit Administration said today many war veterans were paying high prices for farms which in ten years probably would be worth less than the loans granted for purchase of the properties. He testified before a Senate Agriculture group in behalf of legislation which would enable Federal land banks to make loans to farmers.

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From Wall Street Journal, May 13 -

RECORD WHEAT EXPORTS WILL BE MOVED OVERSEAS FROM THE U.S. THIS YEAR-
The expected mammoth crop of some 1.3 billion bushels of wheat now has Agriculture Secretary Anderson thinking of total grain exports topping 500 million bushels in the 1947-48 (mid-year to mid-year) season. Of this, a minimum of 400 million bushels (including flour) will be wheat--if the big crop materializes.

Privately, Secretary Anderson worries whether it will be physically possible to export enough wheat to keep prices above the Government "support" levels. He fears the CCC may have to make loans on millions of bushels.

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FREIGHT CARS AND GRAIN BINS WILL BE SWAMPED AS WHEAT FLOODS FROM FIELDS-
Harvesting will be in full swing by mid June. And the harvest time congestion of recent years will be repeated--on a vaster scale. Grain men say that unless more freight cars are moved into the Southwest, much wheat is sure to be piled in the open on the ground.

The lack of freight cars and storage space reflects not so much a shortage of these by normal standards as their insufficiency in the face of the latest U.S. agricultural phenomenon--billion bushel plus wheat crops.

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VEGETABLE CANNING is headed for cutbacks this year. Early government surveys indicate pickle packers will cut operations 11% from last year. Kraut contracts so far call for 46% less cabbage this year than last. Beet plantings are indicated down 32%, spinnach 26%, tomatoes 1%, snap beans 7%, and peas 4%. Present big stocks of canned food and slow retailer buying make packers nervous.

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SUGAR PILE UP keeps abuilding on the East Coast. It has reached the point where some big refiners have cut operations to four days a week. The refiners worry over the thought long years of sugar rationing have gotten Americans into the habit of using less sugar. They look wistfully forward to hot summer months, heavy soft drink consumption, and perhaps decontrol to give them a helping hand.

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HOGS FATTEN fast on a salty diet. So say pig pen experimenters of Purdue University. The fed porkers one third ounce of salt a day in the daily ration. And they claim that the pigs getting the salt gained weight two and a half times as fast as pigs on a saltless menu. For each pound of salt fed, say the experimenters, a hog gained 45 extra pounds. The hogs don't eat more; but they get more poundage from what they eat.

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From Little Rock Arkansas Gazette, May 6 -

DOUBTS THAT FOOD PRICES WILL DROP - Present costs will prevent any large reductions in overall food prices this year, Watson Rogers of Washington, D.C., president of the National Food Brokers Association, said here yesterday.

Mr. Rogers, who flew to Little Rock to address the Arkansas Wholesale Grocers Association at its annual convention, believed there would be only "minor adjustments" in prices.

He cited the increased cost of labor, cans, labels, freight rates and taxes. These raises will force some groups involved in the production and merchandising of food to absorb a loss if prices are held at the 1946 level, he said.

Mr. Rogers said canneries were contracting for produce acreages at the same prices paid last year. This means there likely will be no drop in raw food prices.

He said food processors were increasing their lines, but had discovered no major new foods in the last year. Foods developed during the war that were suitable for civilian use were placed on the market a year ago he added.

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From Topeka, Kan. Capital, May 4 -

URGES FARMERS TO TAKE ADVANTAGE OF TRANSITION PERIOD; CAPPER FARMER EDITOR GIVES FOUR-POINT PLAN FOR GAIN PROTECTION - Farmers can make their position more secure for the future if they will take advantage of the present transition period to make their business more efficient, get rid of unprofitable operations and avoid needless risks, according to Ray Yarnell, editor of Capper's Farmer.

Yarnell suggests the following four-point program by which a farmer can protect his present gains:

1. Resist buying high-priced land, especially on credit. Top-quality management will be required to show a profit from operating land bought at current prices, if demand slumps and farm product prices decline, or even if they don't.

2. A farmer will be smart to pay off or reduce his farm mortgage debt if he has the money.

3. If he can't pay off his debt, it will be to his advantage to arrange for payment over a long period, 15 to 25 years, with the privilege of reducing it by making annual payments on principal.

4. A farmer can try to do a better job of operating his farm business, to find ways to increase production per worker and reduce unit costs.

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From Oakland (Calif.) Tribune, May 1 -

CITRUS BLAMED FOR TOOTH DECAY - Citrus fruits, except oranges, are potential causes of tooth erosion, Dr. Leonard Fosdick of the Northwestern University, Chicago, reported to the California Dental Association yesterday in San Francisco.

Acids attack tooth structures only when they are sufficiently strong to bring about chemical changes in the hard substances which make up the enamel, he said. Whether citrus fruits could contribute to the process would depend, he added, upon their ability to reinforce the acid strength which varies widely among individuals.

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From Grand Forks (N.D.) Herald, May 3 -

U. S. LAND NEEDS MORE FERTILIZER - Take out three and put back one. That's the way our present farming practices are dealing with plant nutrients in the soil.

Farmers will add about three million tons of the principal plant nutrients through their applications of commercial fertilizers this year. The crops they harvest will remove about nine million tons.

The amount added in animal manures, green manures, and other forms can only be estimated; but the amount lost through crops grazed off the land, through leaching, and through erosion is estimated several times as high.

A bill to establish a national soil fertility program has been introduced into the congress by Representative John W. Flannagan, Jr., of Virginia.

The bill would do two principal things: first, enable farmers to learn the kinds and amounts of fertilizers that can profitably be applied, through a system of test demonstrations in which the farmers themselves would participate; second, stimulate the production of more fertilizer materials to meet the demand that the test demonstration program would create.

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From Waterloo (Iowa) Courier, May 4 -

WHAT CAUSES HIGH PRICES - Editorial - The trouble with such schemes as the Newburyport, Mass., 10 per cent retail price cut plan is that it attempts to deal with the symptoms of high prices rather than with the cause.

The truth of this observation may be very easily proved by figures of the bureau of labor statistics. For instance:

Prices of farm products have advanced 197 per cent while the retail prices of food have increased only 95 per cent.

The price of raw cotton has increased 267 per cent while the retail price of clothing has increased only 80 per cent.

Reductions in the retail prices of food and clothing, obviously, can be made only if (1) merchants, wholesalers and manufacturers can safely reduce their profits or costs, (2) the distribution system can be made more efficient or (3) the producers of raw materials will accept a smaller return.

The consuming public, naturally, wants all of those things to happen. Price reductions which come as a result of greater efficiency, productivity and competition are to be welcomed and are sound. But price reductions which attempt by a bookkeeping operation to force a nationwide drop in the price level can have no more than temporary value.

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From Wilkes-Barre (Pa.) Times-Leader News, May 5 -

THRIFT GARDENS - Editorial - This year, it's to be Thrift Gardens. They will replace the Victory Gardens that were cultivated by 20,000,000 Americans during the recent conflict as a special contribution toward the war effort.

Behind Thrift Gardens are two lofty purposes: Reducing the high cost of living and checking inflation. There are other dividends as well, such as the satisfaction of home-grown products, the thrill of watching things grow and the improvement of yards and idle plots.

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From Sioux City (Iowa) Journal, May 7 -

PERHAPS A WHEAT SURPLUS - Editorial - Damp, cool weather which so seriously has interfered with seeding of spring crops all through this territory is ideal for wheat. Perhaps this is the chief reason why latest government estimates on the winter wheat crop predict 247,401,000 bushels for Kansas, some 30 million bushels above the big 1946 yield, and an increase of 8 million bushels in winter wheat output for Nebraska.

If the nation's total wheat crop amounts to the 1,350,000,000 bushels the government now considers probable, an allotment of 350 million bushels for export to foreign shortage areas will not be out of line. Until this foreign demand is supplied, or production increased in devastated lands, there is little danger of over-production by American farmers.

Considering the probability that this year's wheat crop will be ample for all needs, perhaps sufficient to cause the government to recommend a reduced acreage next year, planned attempts to augment production in years ahead are likely to bring bad results. The danger of plowing up natural range land to attempt its use for farming purposes should have been driven home sufficiently by the dust bowl experiences which followed earlier experimenting in that direction. Let those considering that sort of program try checking back in history only a few years before going into it.

From Philadelphia (Pa.) Inquirer, May 12 -

FOOD CRISIS ABROAD CALLS FOR BUMPER U. S. CROPS - Editorial - Hamburg's huge "food demonstration" on Friday dramatized a situation of steadily increasing danger throughout Europe which must be met.

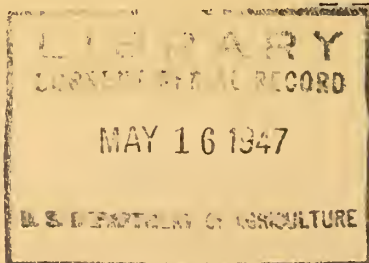
Conditions had enough in any event have been made infinitely worse by a bitter winter, complicated by floods which have heavily reduced spring food stocks.

In the British Isles and on the Continent, except for Denmark and a few other areas, the daily food allowance is sharply below the 3000-calorie minimum held essential by nutritional experts for the average man.

The British provision is 2100 cal. a day. A physician declared Britain was a nation "dying of starvation." In some parts of Europe, particularly in Germany, elements of the population are far below even 2100 calories. A German trade union leader at Hamburg cried out. "We want to tell the world that a man with 800 calories cannot live."

In America huge crops will be essential if our Government, in conjunction with others, is to be in a position to head off starvation and disorders and, perhaps, make some headway toward real improvement of the postwar food situation abroad.

That's up to the American farmer to a vitally important extent. He has shown on many occasions that he can produce on a huge scale. He must, by all odds, do so in this grave world situation.



Farm Digest 985-47

DAILY FARM NEWS DIGEST
(For May 12, 1947)

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U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

U. S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 12 -

GERMANS' HUNGER MENACES U.S. BRITISH BI-ZONAL POLICY-Berlin-Unless the food crisis of western Germany is solved quickly, the economic merger of the American and British zones is doomed to failure within half a year, in the opinion of the highest authorities of the two military governments.

This would mean that the hundreds of millions of dollars already spent by the U.S. and Britain to make these zones self-sustaining by 1950 will have gone down the drain.

Although for purposes of occupation policy, German farmers have been publicly held to blame, a large share of responsibility is attributable, according to the authoritative sources, to deficient imports of food from the United States.

FOREIGN GRAIN NEED STUDIED IN MARKET: TRADE MEMBERS TURN ATTENTION TO STATISTICS WHILE WINTER WHEAT HARVEST NEARS-Chicago-With the first billion bushel crop of winter wheat on record about to be harvested, members of the grain trade are paying more attention to the statistical position of that grain likely to prevail in this country, and also the prospective needs of Europe and the Far East.

According to figures compiled by local grain men, the available supply of wheat for the 1947-48 crop year, which will start on July 1, will be around 1,350,000,000 bushels after allowing for an average spring wheat crop of 225,000,000 bushels and a carry over of 100,000,000 bushels. Of this amount, 800,000,000 bushel will be required for bread, feed and seed, and 200,000,000 bushels, for carryover leaving 350,000,000 bushels available for export, or about the amount of clearances during the 1946-47 season.

ANNOUNCES PRICE CUTS: NATIONAL MATTRESS CO. MAKES 8 TO 22% REDUCTIONS-Huntington, W.VA.-A price cut of 8 to 22 percent "across the board" on all products manufactured by the National Mattress Company and subsidiaries in eighteen factories in a dozen states was announced here last night.

Vice President James F. Edwards told eighty plant managers and salesmen at a home office conference that the price cut "is our company's contribution to national price stabilization." The company and its affiliates manufacture mattresses box springs, innersprings, sofa beds and related products.

TEXAS BEEF FARMS BEGUN IN THE EAST: 1,500 STEERS REACH PENNSYLVANIA IN PLAN TO FATTEN CATTLE CLOSE TO THE MARKETS-Coatesville-More than 1,500 Texas steers arrived at the Buck and Doe Run Valley Farms during the weekend and another 1,500 are expected soon. They will be fattened and sold in the fall as an experiment in supplying Eastern markets with beef raised near by.

B. W. Wilson, manager of the huge estate, said that the 2 year old steers had been shipped here as part of an experiment to fatten large herds of beef cattle close to the Eastern markets and eliminate long railroad trips during which the animals lost considerable weight.

From New York Times, May 12 -

SOVIET SETS HIGH COTTON GOAL--London-Tass, Russian news agency, reported tonight that Soviet cotton growers would try this year to grow more than sixteen bales of cotton per acre, which the dispatch said would be "five times the harvest obtained by the cotton growers of the Nile Valley." The dispatch said cotton planting in Central Asia and Transcaucasia increased 412,500 acres this year. It did not give last year's average.

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From the Wall Street Journal, May 12 -

SUGAR PLENTY: SOARING PRODUCTION BRINGS END NEAR FOR SIX YEAR OLD SHORTAGE--Washington--Put it down as possible you can have an inch high icing on your Fourth of July cake. Make the odds even greater that you can sweeten your Labor Day lemonade with unrationed, price freed sugar.

Government sugar experts are about ready to concede that America's six year old sweet shortage is nearing an end. The next six weeks will tell the story. If present crop conditions remain unchanged, housewives and industrial users of sugar seem certain to be released from sugar restrictions sooner than expected.

Warehouses in this country and in other sugar making areas are already bulging with bags of raw and refined sugar. Cuba, biggest sugar producer in the world, is looking for a bumper 1947 crop. Prospects are at least normal in other cane growing territories supplying the U.S. market. Sugar beet farmers in the U.S. expect a near record harvest.

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FOOD IS LIKELY to be the next crisis facing the long suffering Britons, following close on the fuel and dollar shortages. It is bound up with the other two for without fuel Britain can't earn dollars to buy food.

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From N.Y. Journal of Commerce, May 12 -

SUGAR CONTROLS--Well informed sugar sources believe the changes favor Secretary Anderson asking for an extension of sugar controls beyond Oct. 31 rather than cutting them off before that date, despite the present temporary lag in movement into consuming channels. If controls were to end now on the eve of seasonal expansion in consumption prices would rise sharply.

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SEEK WIDER POWER FOR TARIFF BOARD--Washington--Senator Owen Brewster (Rep. Me.) intends to propose a bill this week conferring additional powers on the U.S. Tariff Commission, it was disclosed today, to equip it for a more positive role in world trade.

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From Minneapolis (Minn.) Tribune, May 4 -

FARM LEADERS RAP OUTPUT RESTRICTIONS, AGREED ON LITTLE ELSE - Washington - Two weeks of hearings before the house committee on agriculture has revealed a bare handful of long-range objectives farm leaders would like to see incorporated in a new legislative program.

They are generally agreed that restricted or government-controlled production is out.

They want abundant production, provided ways and means can be found to successfully assure increased consumption, fair returns to the farmer and elimination of surpluses.

In general, they are agreed, also that:

The parity formula must be revised and modernized. More emphasis must be placed on research and development of new markets for farm products. Soil conservation must be continued and encouraged. Efforts must be continued to develop a sound system of crop insurance.

Beyond that, leaders of the big farm organizations as well as Secretary of Agriculture Clinton P. Anderson, strike off in a number of different directions.

Topeka (Kans.) Times, May 2 -

WOULD END DUAL FEDERAL AND STATE INSPECTIONS; REPRESENTATIVE OF AGRICULTURE GROUPS RAPS DUPLICATION - Washington - Legislation to end duplication of State regulatory and inspection services by Federal agencies was urged before the House Committee on Agriculture today by H. K. Thatcher, of Little Rock, Ark., secretary of the National Association of (state) Commissioners secretaries and directors of agriculture. Discussing the field of marketing of farm products, Thatcher commented that Governmental activities concern themselves in three fields, research, education, and regulation.

"Over the years," he said, "there has grown up a counterpart of each functional activity in the states and Federal Government. This is causing conflicts and duplication of work, and the Congress should take note of it and eliminate such conflicts and duplications where they now exist or are likely to occur."

From Portland (Maine) Telegram & Press Herald, May 4 -

MUST PAY TAX ON DUMPED POTATOES - Augusta - Potato growers must pay the state tax of one cent a barrel on potatoes dumped under the U. S. Government surplus disposal program as well as on those sold for shipment, David H. Stevens, state tax assessor, Augusta, has warned several thousand growers.

The state tax applies regardless of whether the potatoes were hauled to a starch factory, an alcohol plant, or a dump. In any event they were actually sold to the United States Government and are therefore subject to the potato tax, says Stevens.

From Lancaster (Pa.) Intelligencer Journal, May 3 -

A POLICY OF ABUNDANCE - Editorial - The sheep population of the United States is declining, the latest estimate being 32,500,000 head, which is the lowest figure since Civil War days. Wartime influences are declared largely responsible for the drop in number of sheep in this country.

In England, an estimated 4,000,000 sheep and lambs, or more than 20 per cent of Britain's flocks, were lost in last winter's snowstorms.

British agriculture is facing a "Dunkerque", the Ministry of Agriculture reported, terming the sheep toll a national disaster which will affect home-produced meat supplies for several years to come.

This country was blessed with favorable weather which enabled American agriculture to surpass former records of crop production during the war years and the need for continued high output of food and fiber crops is still stressed by national authorities.

So long as there is a shortage of adequate food supplies in different parts of the world, the policy of "abundance" recently advocated by Secretary of Agriculture Clinton Anderson would seem to be good doctrine.

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From Greenville (S. C.) News, May 4 -

SUGAR PRICE CUT - Editorial - At least one refinery in the United States has cut the price of refined sugar a quarter of a cent a pound because of "continued slow demand and piling up of supplies."

The refinery, a Brooklyn concern, explains that the price cut was made "in order to make warehouse space available for a substantial quantity of raw sugar which the government has requested us to find a home for within the next 30 days."

One price cut by a single firm does not necessarily establish a trend. But this one at least indicates that the sugar situation is not as tight as it has been and that there is perhaps less danger of runaway prices in the event controls are lifted than has been generally believed.

Dealers attribute the "current troubles" in the sugar market to an over-cautious buying attitude among consumers. And that attitude may be attributed in part at least to the fact that short sugar rations have taught many consumers that they can get along on less than they used before the war.

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From Toledo (Ohio) Blade, May 2 -

THE HOUSEWIVES' BILL - Editorial - Passage by the Ohio Senate of a bill which would permit the sale of yellow-colored margarine in the state does not mean that it will get through the more rural-minded House of Representatives. But it does show that, at long last, one branch of the Legislature is showing more consideration for the housewives of Ohio than for the special privileges of the dairy interests.

While the chances of getting this bill through the House -- where members from the rural districts think it's all right for the dairy interests to hold up consumers but would see red if labor unions tried the same thing -- seem dim. There's still a chance that the housewives of the state can put it over. If they will only spend as much time bombarding their representatives in the House with pleas to pass this measure as they do in beating color into margarine, perhaps they can eliminate this legislatively-made work for which women workers don't receive a cent.

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From New York Times, May 8 -

INQUIRY ON PRICES BEGINS IN CONGRESS: ECONOMIC COMMITTEE ISSUES QUESTIONNAIRE TO 600 HEADS OF AGRICULTURE, INDUSTRY, LABOR, OTHERS-Washington-Beginning its long awaited examination of the price situation, the Congressional Economic Committee today issued a questionnaire on prices to be distributed to some 600 leaders of industry, trade, agriculture finance and labor.

The questionnaire was the first active step by the group, formally known as the Joint Committee on the Economic Report, aside from a formal statement by Senator Robert A. Taft, Republican, of Ohio, following issuance of the President's economic report early in January.

The Congressional committee was established to follow up with legislative recommendations the material in the President's report on the existing situation and prospects for the country's economic welfare.

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GERMANY'S HUNGER AT PEAK: - Berlin - Two years after the end of the war in Europe, the British and American Military Governments face the worst food crisis in the history of the occupation of the two zones.

The situation is so bad in the British zone that ironclad news blackouts have been ordered. The American officials are also deeply concerned over the deteriorating conditions in their zone.

Throughout the merged zones, rations for the ordinary population are about 200 to 300 calories short of the standard 1,550 daily schedule.

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FOOD CRISIS SEEN IN BRITAIN-London-Great Britain faces a food crisis as critical as the coal shortage that crippled her industrial power last winter, Lord Woolton, Minister of Food in wartime coalition Government, warned in the House of Lords today.

Lord Woolton said that the stocks of wheat on hand were insufficient for more than five to seven weeks, and that the meat supplies were so precarious that butchers soon might be unable to honor the housewives' meat coupons.

The food debate followed a sensational article by Dr. Franklin Bicknell, physician and nutritionist, who wrote in a medical journal that "England is dying of starvation."

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BARS EXCHANGE CLOSING: MCINTOSH REJECTS TURPENTINE GROUP'S PLAN TO STEADY PRICES-Savannah-The Savannah Naval Stores Exchange turned down today a proposal by Harley Langdale, president of the American Turpentine Farmers Association, that it close until turpentine prices were steady.

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From New York Times, May 8 -

POTATO PEST HERE BAFFLES EXPERTS-Few stowaways ever have been subjected to as thorough and microscopic an investigation as Government agents have turned on the golden nematode, yet the Agriculture Department admitted yesterday that it still was baffled on how the potato pest came from Europe to Long Island.

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From N. Y. Journal of Commerce, May 8 -

CROP INSURANCE FACES SHARP CUT-Washington- A group of Congressional agriculture policy makers is preparing to recommend that the Federal crop insurance program be slashed down the line to little more than an experimental and information gathering program next year.

A special seven man subcommittee of the House Agriculture Committee under Representative William S. Hill of Colorado is now drafting legislation calling for what amounts to a token program for 1948 crop wheat, cotton, flax, corn and perhaps tobacco, and a reduction of close to 50 percent in funds to administer the program.

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SUGAR GLUT-As sugar industry officials conferred with Government men in Washington in an effort to seek an outlet for backed up sugar supplies in first hands, some processors reduced their prices as an inducement to buyers to make new purchases. One suggestion is put forth that a new canning stamp be made available immediately, stead of July 1, in an effort to move supplies into consuming channels.

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WOOL TRADE THREAT SEEN IN DUTY RISE-Declaring that proposed legislation to impose a fee of 50 percent over existing tariff duties on the importation of wool will sound the death knell of the domestic wool industry, Bernard B. Smith, counsel to the American Trade Association for British Woolens, urged Senator Edward V. Robertson and Congressman Clifford R. Hope, the sponsors of such legislation, to withdraw that proposal from Congress.

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ONLY U.S. COTTON GOES TO GERMANY, JAPAN DURING 1947-Washington-American-grown cotton is guaranteed a favorable position in German and Japanese markets, Senator John J. Sparkman of Alabama said here today. Only American cotton, he said, will be used in Japan and the joint occupation areas of Germany during 1947.

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From Philadelphia Bulletin, May 2 -

INDEPENDENT BUTCHERS PLAN 30-DAY PRICE CUT - The 300 members of the Associated Butchers, who operate small, independent shops and corner grocery stores here, have agreed to reduce their markup on meat sales for 30 days in compliance with President Truman's price-cutting plea.

This was announced last night by Arthur E. Dennis, counsel for the association, after an executive session meeting.

Dennis said that wholesalers have increased prices last week on beef and pork. Despite this, he added, the retailers have agreed to make less profit in the hope that it will serve as an example to others in the food field.

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From Philadelphia Bulletin, May 4 -

BIG POTATO CARGO WILL GO TO SPAIN; FOUR SHIPS WILL LOAD 12,000 TONS IN PORT - Enough potatoes to supply the entire Philadelphia consuming area with that commodity for a two-week period will be shipped through the local port soon, it was reported yesterday in shipping circles.

Totaling 12,000 tons, the potatoes are consigned to the Spanish Government under a surplus commodity transaction wherein the Government stepped in and purchased them from Midwestern growers to peg the price.

Four Spanish-flag ships, the Santi, Inake, Bachi and Rita's Sister are now in port for the purpose of taking the potatoes to relieve the food shortage in their homeland.

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From Lincoln (Nebr.) Journal & Star, Apr. 27 -

FULL-STEAM PROTECTION - Editorial - Presumably Secretary Anderson plans to elaborate later on that part of his proposal for full-steam farm production which would provide for sale of surplus commodities to needy countries abroad at special prices. He barely mentioned it in his Monday appearance before the house agriculture committee when he described a system of guaranteeing farm markets thru enabling the poor, at home and abroad, to buy at all times.

He elaborated on the foreign angle only by adding:

"It seems inevitable that we will continue to need regular and sizable foreign markets for cotton, wheat, tobacco, lard, rice and certain fruits and vegetables. . . . We need the benefits of an international organization to reduce trade barriers and to provide a world clearing house for commodity agreements which preserve the principle of international economic collaboration without running contrary to domestic policy."

This was the first official statement to the American public of an idea which has been fermenting in the FAO (Food and Agriculture Organization) of the United Nations. It is part of a revolutionary new way of thinking about world trade, a corollary of the idea that, if there are surpluses of food anywhere in the world, and if people are hungry anywhere, the United Nations must provide a bridge thru which one can reach the other.

The details have not been worked out -- the whole idea is still as vague as is the knowledge of whom food surpluses will exist, and involves problems which seem almost unsolvable. The backbone of such an arrangement would seem to be a system whereby American products would sell at world prices regardless of their fall below domestic prices, either thru government subsidy, United Nations subsidy, or thru a concept of exports as a sort of "secondary production."

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From Terre Haute (Ind.) Star, Apr. 29 -

ECONOMY OF ABUNDANCE - Editorial - Secretary of Agriculture Anderson has proposed a realistic farm program to succeed the wartime price-support setup. It is based on the theory that food should be grown in abundance and consumed the same way.

This is quite a departure from the present practice of maintaining all artificial high prices and dumping surpluses, as well as from the prewar economy of scarcity, which paid farmers for lowering the food supply to match lowered buying power.

Mr. Anderson would put a floor under consumption and make "some sort of food allotment program available at all times." With such a flexible setup, neither a temporary slump nor a depression would have to mean lack of food for the poorly paid or employed. Farmers could raise food in the knowledge that it would be eaten. Instead of paying the farmer for not producing, the government would buy food for those who couldn't afford it.

In addition, the secretary would like to see this government enter into agreements with other countries for the sale of our food surpluses at reduced prices. It seems likely that Mr. Anderson's former congressional colleagues will give his plan consideration when they start writing a new farm bill.

From Baltimore (Md.) Sun, May 3 -

A CHEERING WORD ABOUT THE ECONOMIC PROSPECTS - Editorial - Dr. Lionel Edie has been saying some soothing things to the Senate Finance Committee and his remarks are worthy of comment. An economist and investment counselor of repute, Dr. Edie declines to join those of his colleagues who see a sharp recession in the offing. It could happen, of course, just as foolishness in any line can bring on disaster. But with fair-to-middling wisdom on the part of all parties to the economic process, Dr. Edie thinks we may be able to even off at a high level of prosperity on a reasonably enduring basis.

But what about high prices? Dr. Edie thinks their explanation is fairly simple. There has been a tremendous expansion in purchasing power. Of this there are all sorts of signs. Money in circulation is up from around \$7,000,000,000 in 1939 to around \$28,000,000,000 now. In the years of even the highest taxes, half the cost of the war was financed by borrowing, largely through the banking system. This led to a "monetization of the debt" because as Government securities soaked into the banking system they worked to expand banking reserves. Banking reserves in turn supported an expansion of banking credit from six to ten times as large.

From Pittsburgh (Pa.) Post-Gazette, Apr. 29 -

FOOD AND INFLATION - The big factor in America's runaway cost of living is food. Since 1939 food prices have risen 140 per cent, compared with only 61 per cent for other prizes. Food prices account for about 70 per cent of the increase in the consumers' price index since January 1, 1946. The reason for all this is simple: an unprecedented foreign demand coupled with an unprecedented domestic demand.

MAY 14 1947

U. S. DEPARTMENT OF AGRICULTURE
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Reserve DAILY FARM NEWS DIGEST
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U. S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 9 -

RUSSIA TO GET FLOUR IN RUMANIA; U. S. CHECKS FAMINE RELIEF TERMS - Washington - The American Mission in Bucharest informed the State Department today that Rumania, in response to Russian demands, was about to deliver 400 freight car loads of wheat flour for use of the Soviet forces of occupation in that country.

The State Department is now checking these reports that grain is being shipped from Rumania to Russia. If these are found to be true, the Department said, we would have no recourse except to stop shipping our grain to Rumania because a definite promise was made that, in contrast to flour, no grain would be shipped out of the country.

FOOD COUNCIL BIDS PERON AID EUROPE - Washington - The International Emergency Food Council has asked the Argentine Government to "exert every effort" to bring grain exports to hungry Europe up to a million tons a month for the next three months.

D. A. FitzGerald, secretary general of the council announced today that this had been done through a strongly-worded cable message he had sent to President Peron.

ASIAN AREAS FACE GRAVE RICE DEFICIT - Singapore - Rice allocation officials of sixteen countries, meeting in Singapore, today predicted seriously shortened supplies of Asia's staple food in the next six months.

Furthermore, they revealed, as the first half-year draws to a close only 62 per cent of the already meager rice allotments to South-east Asia for the January-June period has been made available for shipment.

CLAY READY TO USE ARMY IN FOOD CRISIS; BLAMES SHIPPING DELAYS - Berlin - Gen. Lucius D. Clay confirmed today that he was ready to use troops, if necessary, to prod German farmers into action in the current food crisis in the American and British zones. At the same time he emphasized that the major portion of the food shortages resulted from the failure of food shipments from the United States to arrive here on schedule.

MAP LOWER PRICES, INDUSTRIES URGED; CARPET EXECUTIVE WANTS FOOD SUBSIDIES DISCONTINUED - Natural Bridge, Va. - American industry needs a better and broader understanding of human relations and real business statesmanship if the free enterprise system is to succeed and survive, Joseph L. Eastwick, president of the James Lees & Sons Co., declared here tonight at a celebration marking completion of his company's new carpet mills in nearby Glasgow.

Addressing a group of editors, radio commentators and Government officials, Mr. Eastwick said "inflation could not be halted until Government subsidies that keep food prices at artificially high levels are discontinued.

From New York Journal of Commerce, May 9 -

SUGAR ACTION AWAITED - Washing sugar officials were reported to be in session yesterday considering a plan of action to alleviate the sugar surplus supply problem in first hands. It is said that the valid date of the next ration stamps and certificates may be advanced as one step to get sugar moving into consumer channels.

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COTTON EXPORT SUBSIDY REDUCED TO HALF CENT - Washington - The Government's cotton export subsidy rate was reduced from 2c to $\frac{1}{2}$ c a pound, effective at 3 P.M., Eastern Standard Time, today.

The action was announced by the Agriculture Department which handles the program. It was taken as domestic supplies dropped to the lowest level in nearly 20 years.

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From New York Wall Street Journal, May 9 -

YOUNG, C & O CHAIRMAN, ASKS \$2 DAILY BOX CAR RENTAL TO CUT SHORTAGE - Washington - Robert R. Young, chairman of the Chesapeake & Ohio Railroad, said yesterday that a \$2 daily rate on box car rentals would help solve the long range car shortage.

Mr. Young, who is also chairman of the new federation for Railway Progress, made this suggestion before a caucus of western Congressmen. The group is investigating charges that "an eastern financial-political combine is depriving western carriers of vitally needed freight cars."

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SUGAR PRICES MAY RISE AFTER DECONTROL, MACK OF PEPSI-COLA SAYS - Wilmington, Del. - Possibility of a price rise in sugar following decontrol was expressed by Walter S. Mack, Jr., president of Pepsicola Co. Mr. Mack told stockholders at the annual meeting the nation's sugar supply should be "ample" after the decontrol scheduled for October 31 next. If sugar prices rise after decontrol, Mr. Mack said, the price should level off soon.

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From New York Herald Tribune, May 9 -

WHOLESALE FOOD PRICES SHOW FURTHER DECREASE - The Dun & Bradstreet weekly wholesale food price index declined further in the week ended May 6 and stood at \$6, compared with \$6.02 in the previous week and \$4.20 in the like week last year, it was announced yesterday.

The daily wholesale price index of thirty basic commodities closed at 253.39 on May 6, compared with 253.35 a week earlier, and 189.28 on the corresponding date a year ago, Dun & Bradstreet reported. In general, price movements were less severe in commodities during the week, it was said.

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From Omaha (Nebr.) World Herald, May 1 -

AGRICULTURE NOW IN ITS BEST SHAPE - Agriculture in the Missouri Valley is in the best condition it has ever been.

Paul H. Stewart, agronomist, Robinson Seed Company, Waterloo, Nebr., told the Real Estate Board that Wednesday.

Farming is coming of age. Farmers realize that soils will wear out and need attention, Mr. Stewart said.

He spoke of the work of the Nebraska Agricultural College and The World-Herald to promote soil and moisture conservation.

The farmers themselves are providing the steam for soil conservation, he stressed.

Mr. Stewart stressed the development of better crop varieties. The production of hybrid corn has become an important industry. It has increased the corn yield in Nebraska 40 million bushels.

Mr. Stewart cited the Omaha alcohol plant as an illustration of what chemistry is accomplishing. He urged the real estate men to support research along this line.

From Billings (Mont.) Gazette, Apr. 30 -

FLOORS FOR FARMERS - Editorial - Secretary of Agriculture Anderson, appearing before the house agriculture committee, made it clear that the administration has turned its back on production controls as a means of insuring the nation's farmers a fair return on their crops. But he made it equally clear that he favors governmental action, and on a broad scale, to attain that objective.

Anderson proposed a long-range program to encourage farmers to produce in abundance by committing the government to set "floors under consumption" as well as under prices. Such floors, he said, could be provided by "a surplus distribution program or perhaps some sort of food allotment program available at all times -- something flexible enough to meet both chronic and acute deficiencies in buying power." He thinks that the school lunch program is a good start but does not go far enough.

What he has in mind, evidently, is increasing the food-buying capacity of the poor, especially in depression times, by handing out stamps that could be used in the stores to buy farm products designated as surplus. The government would redeem the stamps and take the loss involved which might run to \$1,500,000,000, according to studies made by the department, in addition to \$600,000,000 a year for school lunches.

This system was in vogue during the 1930's and made more food available to those on relief at cut prices while those not on relief paid much higher prices. Secretary Anderson was not talking about returning to free agriculture. He was discussing a plan to use government funds to help farmers.

From Poughkeepsie New Yorker, May 2 -

ECONOMY OF ABUNDANCE - Editorial - Secretary of Agriculture Anderson has proposed a realistic farm program to succeed the wartime price-support setup. It is based on the theory that food should be grown in abundance and consumed the same way.

This is quite a departure from the present practice of maintaining artificial high prices and dumping surpluses, as well as from the prewar economy of scarcity, which paid farmers for lowering the food supply to match lowered buying power. Mr. Anderson would put a floor under consumption and make "some sort of food allotment program available at all times."

From Boston Christian Science Monitor, May 1 -

A FRESH SLANT ON THE FARM PROBLEM - Editorial - One thing seems certain: When the present Federal program for supporting the price of farm products expires at the end of 1948, some other agricultural stabilization legislation will take its place. To talk about other possibilities appears as academic as to expect completely tariffless foreign trade or wage rates rising and falling in a "free" labor market. Furthermore, because the farmer cannot adjust his production quickly to fluctuations in demand, and because he is so utterly essential, the American people are unlikely to toss him overboard to sink or swim.

The question is, therefore, not whether there will be a new program, but what kind.

Secretary of Agriculture Anderson's outline for a new approach is likely to get a sympathetic hearing. He would stabilize consumer demand for farm products, instead of regulating supply and supporting prices. In times of depression at home he would bolster the buying power of inadequate incomes by extensive use of the food stamp system. He would undertake agreements providing for sale of surpluses abroad at cut prices to needy countries.

Obviously, many difficulties of administration stand between the idea and a practicable execution. But in just venturing to walk around the farm problem and to look at it with some imagination from the other side, Mr. Anderson has made a contribution of some proportions.

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From Schenectady (N.Y.) Union-Star, May 1 -

MIDDLE CLASS CONSUMERS DESERVE A BREAK, TOO - Editorial - We have never been anything but whole-heartedly in favor of assistance for the unfortunate, but we believe there is a danger in so administering this help as to degrade.

This thought follows the suggestion of Secretary of Agriculture Anderson that a program be worked out under which certain low income groups would receive the benefit of government subsidy programs designed to make production of food an incentive to farmers. One seeks amendment to the Anderson suggestion with some trepidation lest such a stand be misinterpreted.

We have deplored the existence of "want amidst plenty" ever since seeing the long lines at the Surplus Commodity depot across Clinton St. from the Union-Star back in depression days. Why that should be when production was plentiful to a degree that induced government payment, not to grow crops, passed our comprehension. And if some such scheme, even disguised by food cards acceptable for certain commodities at any stores, is to be revived we believe it is un-American.

Another element is that the numerous middle class on which American prestige and prosperity have been built, feels a pinch. The so-called underprivileged get pretty good attention. Those of moderate income who want to pay their own way just can't afford the cost.

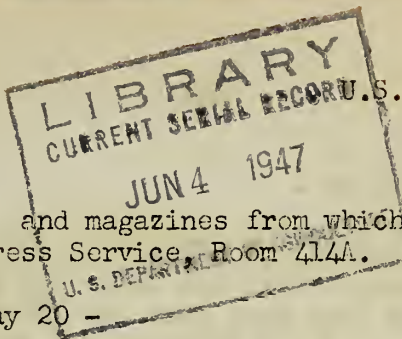
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From Albuquerque (N.M.) Journal, Apr. 30 -

ESSENTIAL WATER STEP - Editorial - Secretary of Agriculture Anderson went to "bat" for the people of the Middle Rio Grande Conservancy District in appealing to President Truman Tuesday for a completion of the report on the Rio Grande problem which has been under study for several years now. This report must be laid before Congress as the first initial step in the fight for appropriations for flood control and rehabilitation of the irrigated land in the valley. Congress then will have something on which to act.

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DAILY FARM NEWS DIGEST
(For May 20, 1947)



U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 20 -

DIMINISHING STOCKS OF RAW COTTON IN JAPAN CONSIDERED A THREAT TO REVIVING INDUSTRY-Tokyo-At the end of next month Japan's stocks of raw cotton will amount to only 228,000 bales, which is less than three months' supply.

Because it takes about four months between a purchase in the United States and delivery to a Japanese mill, occupation officials frankly are worried at the situation. They have issued instructions to the Japanese that if cotton is not contracted for by June 15 they must slash their current textile production schedules by 20 percent. If the following month still sees no additional cotton in prospect they must cut production by 40 percent and if the situation persists a month later the cut in output must be 60 percent.

This precaution has been taken to prevent the textile industry from riding blithely to the edge of the precipice erected by Washington's failure to take action about finances.

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SEEKS PRICE PROTECTION: FOOD GROUP TO URGE GUARANTEES AGAINST CUTS AT JUNE PARLEY-A resolution demanding that all manufacturers who sell direct to retailers guarantee their merchandise for thirty days against price declines will be introduced by the New York State Food Merchants Association at the San Francisco convention of the National Association of Retail Grocers, which will be held June 22 and 26, it was announced over the weekend.

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BARS CIGARETTES IN MAIL TO GERMANY: ARMY ACTS TO CURB BLACK MARKETS--POST EXCHANGES WILL MEET NEEDS OF FORCES-Washington-In a move to curb black market operations and resultant inflation in Germany, the War Department announced today that private shipments of cigarettes and tobacco to American personnel in the occupied zones would be banned on and after May 26.

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From Wall Street Journal, May 20 -

EUROPE'S DROUGHT sharpens Continental hunger for U.S. grain-Since mid-March extremely dry weather has parched fields in Rumania and Bulgaria. Now the soil thirst spreads to Greece, Czechoslovakia and Austria.

The drought follows a bitter winter and swirling floods which cut crops in Germany, France and the Balkans. In its blighting influence it joins hands with lack of fertilizer, lack of farm machinery, lack of labor.

All this adds up to one clear cut prospect: Europe will want every pound, every bushel of grain it can get from U.S. bumper crops this year.

Grain hunger persists in the Orient, too. India alone says her grain needs will be 200 million bushels above her supplies this year.

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From Wall Street Journal, May 20 -

SUGAR RATIONING TO INDUSTRY IS BRINGING NEW HEADACHES TO U.S. OFFICIALS. While some commercial consumers still complain they are pinched by present quotas, others are beginning to take less than they are offered. Ration officials say some candy makers, bakers, and drink bottlers are among those taking less than their allotments.

This pulls the average industrial use of sugar down below the level set in the rationing system because those who want more can't get it. And so far authorities haven't found a solution to the problem. They'd like to boost allotments where needed without making an across the board increase.

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STEAK DINNERS will grow cheaper as summer goes by—That's the opinion of meat experts, who say the seasonal movement of cattle to market in months ahead is sure to hack down the price of a porterhouse. Some say flatly beef prices will be snipped 25% by the end of September.

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LUMBER SHIPMENTS slipped 4% below production in the week ended May 10. And new orders received by mills were 8% below the production rate. This is a significant "pipeline" barometer. So far this year weekly shipments have been running 10% above the production rate. New orders have averaged more than 12% above the production rate.

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SIMPLE ARITHMETIC shows how runaway food costs hack into physical volume in the grocery business. Latest official figures place dollar volume sales of wholesale grocers about 10% above a year ago. But wholesale food prices are 45% above last spring's level. Obviously, people are buying considerably less food than they were at this time in 1946.

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DAIRY FARMERS LOSE MONEY by tossing alfalfa hay into old fashioned haymows. So say feed scientists who have completed tests showing alfalfa thus stored loses a third of its protein content. Put the alfalfa in an air tight silo, say the experts, and protein loss is cut in half. Dairymen have to make up protein meal. With the meal costing around four cents a pound, the scientists compute savings from silo storage at \$15.60 per acre of alfalfa harvested.

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From N.Y. Journal of Commerce, May 20 -

CUBAN SUGAR CROP—With favorable weather for the next few weeks Cuban sugar production for this year will reach 6,250,000 tons, which is 100,000 tons more than previous estimates. With 40 of the 160 mills finished grinding it is estimated that up to yesterday 5,800,000 tons have been made...Demand for sugar here has shown a slight pickup but there is nothing to indicate yet that the demand will be sustained, although with the approach of warmer weather broader buying is forecast.

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From Hutchinson (Kans.) News-Herald, May 11 -

ALL THAT WHEAT AND NO WAY TO MOVE IT - The greatest wheat crop in Kansas' history will be combined with the greatest shortage of railroad freight cars -- with the result the big boom in prospect for the wheat belt may turn out in some sections to be a big bust.

Railroad officials in this territory have admitted they will not have ample box cars to handle the movement of 1947 grain, now estimated at 120-125 million bushels in 36 Southwestern Kansas counties. Despite enormous increases in shortage capacity, there will be considerable grain dumped on the ground and most producers expect a far heavier loss from this improper handling than last year, when thousands of bushels were ruined.

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From Chicago Journal of Commerce, May 12 -

FARM PRICE FLOORS ABOVE PARITY LEVEL KEEP FOODS AT PEAK - Informed observers are virtually unanimous in their belief that food relief for Europe is much more urgent now than it was immediately following World War I. The general disruption of World War II was far more severe than in the earlier conflict, transport and industry more widely demoralized. On top of all this, the Continent has experienced one of the worst Winters in history. Crops sown last Fall were badly damaged and yields will be small.

In these circumstances, the Truman administration's policy of keeping farm price floors at levels well above parity is becoming increasingly difficult to explain. Secretary Anderson tried it recently, but he made no more sense than the current support program. The best he could do was to assert that his department's price bolstering activities are having "almost no effect" upon living costs.

It is of course true that the support program had relatively little to do with boosting such items as wheat and hogs, for example, to their present levels. But it is definitely not true that the support program is in no way responsible for keeping prices high.

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From Hartford (Conn.) Times, May 12 -

REVIVES FARM SURPLUS PLAN - Editorial - Secretary of Agriculture Anderson has taken up the recent alarm of the farm belt over approaching agricultural surpluses and accompanying low prices. He is looking far ahead, beyond the end of 1948.

Mr. Anderson proposes that the 1948 Congress pass a law which, as he defines it, is the twice-passed and twice vetoed McNary-Haugen plan of the twenties. It would subsidize exports or other use of agricultural surpluses without cutting production.

President Coolidge twice vetoed the plan as too costly to the federal treasury and as self-defeating. The guaranteed price to farmers, without acreage control, would stimulate the production of surpluses. Thus the solution was seen as but an aggravation of the malady.

Secretary Anderson has a good heart. He would put "floors under consumption" as well as under farm prices.

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From Lexington (Ky.) Herald, May 12 -

SLASHES AFFECT AGRICULTURE - Editorial - There is general approval of reduction in expenses but often when public expenditures are cut the effect is not known until many months afterward. A reduction of at least 33 1/3 per cent in the Agriculture Department budget has been reported as in the making by the House Appropriations Committee.

Now, if agricultural appropriations could be economically cut to this point without reduction of services of government, this would be all right. They can not. Therefore reductions must be made in benefit payments and will have an effect upon the farm program.

There is absolutely no way that agricultural expenses which total about one-third without slashing deeply the whole program that is based upon better farm practices, support prices and activities to develop farm markets.

In practices under the Production and Marketing Administration's program agriculture has greatly profited in this country.

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From Springfield (Mass.) Union, May 13 -

THE SUGAR SUPPLY - Editorial - With surplus sugar overflowing the warehouses and clogging refineries in many Eastern cities it seems inevitable that the six-year shortage will soon be declared at an end and sugar restrictions removed, to the delight of housewives and industrial users of that product.

The crop outlook, moreover, is excellent. Cuba expects a 1947 bumper crop, which should be the largest in the world, while prospects in other cane-growing territories supplying the United States are good and sugar beet growers at home expects near-record harvest.

The Agricultural Department economists are still cautious, but Secretary Anderson hints at a prompt end to allocation and price controls if the present outlook is confirmed. While the domestic beet harvest would not provide sugar until next winter, the bulging stock-piles of Cuban sugar already on hand, and the almost certain prospects of a bumper crop on the way, could prompt the official decision to remove controls earlier than the October 31 legal deadline.

The date will be announced suddenly and without warning when it comes in order to prevent speculators from making a killing. Thus if agriculture discountenance an early lifting of controls we may be assured that they are going to surprise us with the good news.

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From New Orleans (La.) Times-Picayune, May 13 -

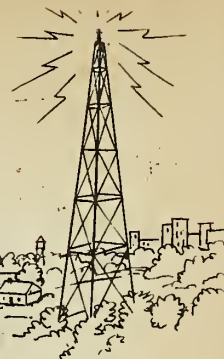
'ANTI*FLY' CAMPAIGNS - Editorial - Mississippi's entry in the list of the half-dozen or more states that are turning DDT guns against the fly in all-out, statewide campaigns puts her high in the ranks of the wise. Iowa seems to have been the first state to announce plans for a universal swoop-down on the pest. Idaho, where 50 communities solved fly problems in 1946, is extending the work this season. It may be a little too late for Louisiana to get started this year, but something along this line should be a "must" for 1948.

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RFD LETTER

To Radio Farm Directors



From the:
U. S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION

RADIO SERVICE

Kenneth M. Gapen

May 23, 1947

How Many Employees .. in USDA

A question we're often asked .. "How many employees in the USDA". Quarterly report by our personnel office shows that at end of 1st quarter of '47, there were 11,332 in the D.C. area, and 47,948 outside Washington, plus 884 outside continental U. S. These total 60,164. Full-time employees five years ago totaled about 80,000.

We Discuss Radio .. With ACE Editors

Meetings here in Washington this week of the Extension Editor Advisory Committee have threshed out a lot of information problems .. problems that affect RFD's and USDA and State people. (Committee members are Elder of Iowa; Rutledge of Arkansas; Gildersleeve, N.D.; Round, Neb.; Franke, Tex.; Anderson, Wash. and Hoffard, R.I.) Editors seem more radio-minded than in previous years.

Session on radio .. Round presiding and Gapen, chairman .. came at the close of a hot, muggy day such as you find only in Washington, D.C. But 'twas spirited. Some of the points we winnowed:

USDA Radio Service aim .. to serve farm and home through increasingly important medium of radio .. partly thru networks and radio farm and women directors .. partly thru contact and radio schools for local workers to improve b'casting. More training means more local leadership .. means a better service job thru radio. USDA offers to help .. hopes to see increasing local responsibility for better farm and home b'casting .. at State and county "levels".

Farm and home radio is most effective when keyed to local needs. This means more home and farm agents on the air .. more usable information. For Federal-State information and sometimes for guidance, local farm and home programs b'casters get help from extension radio specialists and editors.

Radio clinics and schools pave the way to better local b'casting .. more know-how by local leaders eases job of local programming and b'cast preparation. Radio is a tool for farm and home service. To become expert in using it .. leaders need guidance and training. Primary training is followed profitably by advanced clinics.

A Brand New Yearbook .. From Us To You

We're told that first copies of the Yearbook of Agriculture (1943-47) are in the mail .. going to RFD's. In April 3 RFD Letter we told you quite a bit about this first yearbook in five years .. it hasn't been issued since 1943, when war interrupted a sequence that goes back nearly 100 years.

Inside the front cover of this 960-page book .. titled "Science in Farming" .. you'll find background statement on the book's history, why it's issued, what it covers, who writes and edits the 135 separate articles.

You'll also find the warning that your's is an advance copy .. that no public mention is to be made of the book before May 31, the publication date.

"Science in Farming" summarizes important research developments of the last few years .. a time when war made publication of scientific findings difficult. There's a handy map inside both covers showing centers of agricultural research in these United States.

Among features that makes the book easy reading are dozens and dozens of pictures .. presenting agricultural research visually. Believe you'll agree Editor Al Stefferud has done a fine job. In the index you'll find reference to about all that's happened in ag research in last five years.

Improvement in Cottonseed Meal

Research at USDA's regional laboratory in New Orleans shows that a pigment (gossypol) in cottonseed meal reduces growth of chicks as well as hatchability of eggs. USDA poultry specialists made careful comparisons of cottonseed meal prepared by usual pressing .. and meal prepared by new process of solvent extraction of the oil, which removes the pigment. Process was discovered, and is being developed, by N.O. lab.

To prove that it was the pigment in meal .. and not a difference in processing .. poultry men added to soybean meal the pigment removed from cottonseed meal. This combination reduced growth and hatchability by about as much as did old-style cottonseed meal.

For the new process, cottonseed kernels are chopped and agitated in a mixture of solvents. Pigment comes to the top. Oil is separated from the solvent by distillation. Practically all oil is extracted .. including the 6 percent which heating and pressing does not remove.

This item was given to farm press editors here last week and also mentioned recently in the USDA Clip Sheet. We repeat it here .. in case you missed it.

Farm Fish Ponds

Just out .. and enclosed .. is Farm Fish Ponds .. prepared by the Soil Conservation Service. It tells how farm ponds can provide food and fun, whilst retarding destructive runoff. Most any farm can have a pond.

4-H Trek .. Chicago to Washington

At hand from L. I. Frisbie, state club leader at Lincoln, Neb., is itinerary for bus carrying delegates from a number of midwest states to national 4-H camp in D. C. We give you skeleton routing. RFD's wanting a pickup from 4-H'ers on the bus and needing more information .. write or wire Frisbie.

The itinerary: Leave Chicago June 8 at 7:33 a.m. In Michigan: Michigan City at 9:25 .. Niles at 11:30 .. Three Rivers at 12:15 (lunch) .. Jackson, 2:30 .. Ann Arbor, 3:15 .. Detroit, 5 to 5:30 .. Chatham, Ont. at 6:30 (overnight). Spend night of June 9 in Niagara Falls, USA. June 10: At East Aurora, N. Y., 7:55 a.m. .. Corning, N. Y., 11:15 (lunch) .. Towanda, Penn., 1:45 .. Allentown, Pa., 8:15 (overnight). June 11: Philadelphia, 8:40 a.m. to 12:15 p.m. Baltimore, 3:20 .. Washington, D. C., 6:45.

Return trip: Spend night of June 19 in Wheeling, W.Va. .. June 20, Wooster, Ohio, 11 a.m. .. Bucyrus, 12:30 (lunch) .. Van Wert, 3:15 to 3:45 .. Fort Wayne, Ind., 4:20 p.m. .. Valpariso, Ind., 6:40 to 7:45 .. Spend night in Harrison Hotel, Chicago.

An Opportunity .. in Naval Reserve

Our Navy between now and July 1 is campaigning to build up the nation's Naval Reserve .. an organization always attractive to farm boys and men. All between ages of 17 and 40 .. whether veterans or non-veterans .. are eligible. The Reserve offers .. in addition to opportunity for service a chance to develop a hobby with a future. These include electronics, aviation specialities, radar, work with metals, plumbing, welding and engineering trades. These needn't interfere with regular farm work. Classes are held evenings and weekends.

Reservists are paid for attending classes .. starting with \$2.50 per class .. and can earn up to 64 pay days a year. All have chance for promotion, which means advancement in pay. Veterans may start from rating held when they left service. And most army vets can get equivalent navy rating. Naval Reserve also conducts annual 2-week cruises, with pay. These may be at sea or at air stations or other shore-based activities.

If thousands of ships in the Nation's "mothball" fleet are to be more than empty hulls .. this country must preserve some of its hard learned "know-how". To join up .. or for more information .. see nearest Naval Reserve office, or write Naval Reserve, Washington, D. C.

Problems .. for Ag Engineers

When RFD's were at Beltsville 4/30 ag engineering chief Turner gave us insight into problems his office faces .. by propounding questions on farm engineering that should be answered. They're enclosed. You'll see from reading them, that Mr. Turner and his researchers have enough to keep them busy for some time. There's hardly any ag research that doesn't present some problem to the ag engineer.

AMONG OURSELVES

Two RFD's Change Jobs

Two NARFD brethren are changing jobs in June. C. W. Jackson .. Texas radio extension editor for 3½ years .. leaves June 15 to become RFD of KCMO, Kansas City. That station slated to go 50,000 watts in near future. And at the end of June, Bill Zipf, RFD at Ohio State (WOSU), goes with the Columbus (Ohio) Dispatch, according to a letter from Ohio's Director of Extension Ramsower. We understand he'll be farm editor for the paper and for WBNS. We hope he's not leaving the RFD family.

"Jack" came to Texas A and M from county agent and vo-ag work. He and Sybil "Claire" Banister (we quote Louie Franke, Tex. Ext. Editor) have made the daily 15-minute Texas Quality network one of country's better farm and home b'casts. Last December they started a second network show .. the 25-minute, weekly A and M Farm Review. It has a 5-minute fill-in by county agents. Under Jack's guidance, Texas is right at the top in working with county agents, with RFD's, stations without RFD's and in holding radio clinics.

Zipf has been field editor for a fruit magazine .. extension editor in Delaware .. with the FCA in Louisville and associate RFD for WLW. He's been at Ohio State, his alma mater, for over three years. He's been chairman of the ACE and 4-H Congress radio committees and is co-author of "Radio Handbook for Extension Workers". Both Bill and Jack are too well known to RFD's to recite more of their attributes.

Jack will be succeeded by John Hutchinson, also a Texas A and M grad who has been a vo-ag teacher and co. agent. John and Jack this week (quoting Franke again) are "beating the bushes together on a whirlwind schedule .. to show John all Jack knows. They're holding radio training schools for co. agents .. making farm and home recordings and going on the air from different points."

New Faces in Extension Work

Frances Arnold has been named assistant extension editor in Texas, effective June 15. Miss Arnold, home ec. grad of East Texas Teachers College, will fill vacancy left by Laura Lane who went to Country Gent. Miss Arnold has been home dem. agent since 1937, and last year won national award for county home dem. radio program..... Arthur Edwards has been named asst. agricultural editor in Missouri. He's a '47 graduate in agriculture from U. of Mo..... Curtis F. Tarleton, '43 graduate from N. C. State, has been made asst. ext. editor in N.C. (Thanks to USDA Extension Service for above information.)

Picture Packet for RFD's

Before long we plan to send a souvenir picture packet to RFD's who attended the April 30-May 1 get-together in Washington. These will be selected from pictures taken by photographer Mayo. He did a good coverage job .. as you will see.

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DAILY FARM NEWS DIGEST
(For May 27, 1947)

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U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 27 -

WORLD FOOD TALKS URGED BY ANDERSON: EMERGENCY COUNCIL APPROVES PLAN FOR MINISTERS TO ACT ON INDIGENOUS SUPPLIES-Washington-Secretary of Agriculture Clinton P. Anderson proposed today that a world conference of Ministers of Food and Agriculture, "looking toward improved management of indigenous food supplies" in cereal import countries be held not later than July. The proposal was approved today by a large majority of the thirty four nation International Emergency Food Council.

The committee will make recommendations on Wednesday as to whether the FAO or the IEFC should call the conference, and whether it should be held in Europe or in this country.

Dennis A. FitzGerald of the United States, Secretary General of the IEFC prefaced his presentation of the conference idea with the long and detailed report on the extreme gravity of the world food situation.

The special policy committee reported that the world food situation was still so grave that the IEFC should be continued beyond the proposed termination date of next Dec. 31 to June 30, 1948.

The committee reported that these five basic commodities were in such short supply that they should continue to be under international allocation; cereals, rice, fats and oils, sugar and nitrogenous fertilizers. Five others were named as likely to need such controls were beans and peas, meat, protein feeds, certain kinds of seeds and potash fertilizer.

Secretary Anderson told the IEFC in a letter that his call for a conference of responsible food ministers had been based on two main considerations.

First, he stated, there is an increasing struggle for United States grain between the "flag areas"--the combined occupied zones of Germany, Japan and southern Korea, for which the United States is directly responsible--and our former Allies, who combines to obtain allocations under the IEFC.

"I must brutally recognize that more and more I have found it necessary to take care of these flag areas," he declared.

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LIE ASKS FOOD ACTION-Lake Success-Describing the food situation in war devastated Europe as critical, Trygve Lie, Secretary General of the United Nations, called on the fifty five member nations today to take constructive steps within less than two months to recommend solutions. He asked for action before the fifth session of the Economic and Social Council convenes on July 19 to avert "catastrophe."

The critical food shortage in European countries, which was foreseen in January by a special technical committee on relief needs, is already at hand, according to a still incomplete survey by the Food and Agriculture Organization.

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From New York Times, May 27 -

A WORLD FOOD CONFERENCE-Editorial-As a first step toward working out "Continental plans" for Europe and Asia, at least in respect to food, the United States proposes calling a world grain conference by mid July to chart the most effective distribution of world supplies and to improve food management in deficit countries. This proposal, submitted by Secretary of Agriculture Anderson to the International Food Council is a result of the realization that despite the billions spent on relief the food situation is growing worse rather than better, and that a year from now we shall probably face another food crisis even more serious than at present.

The proposal of Secretary Anderson is good as far as it goes, but it is obvious that much more will have to be done than he indicates before the last horseman of the Apocalypse has been routed.

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PASSES POTATO BLAME: SECRETARY ANDERSON SAYS CONGRESS WROTE PRICE SUPPORT PLAN-Washington-Clinton P. Anderson, Secretary of Agriculture made public today a letter which he had written to Representative August H. Andresen, Republican, of Minnesota, taking issue with Mr. Andresen's statements in the May 21 Congressional Record on the potato price support program.

The Secretary reminded him that Congress had imposed the program which compels him to buy potatoes. He said that since he himself had presented this whole problem to the House Agriculture Committee, to which Mr. Andresen belonged, he (Andresen) must know that the Secretary of Agriculture was powerless to do what Mr. Andresen demanded, "halt the wanton destruction of potatoes."

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FOOD PRICE DROP PUTS INDEX DOWN-Washington-Prices paid by moderate income families were one tenth of 1 percent lower in mid April than in mid March when an all time high was reached, the Bureau of Labor Statistics reported today. There was a 2 percent increase between Feb. 15 and March 15.

The consumer's price index formerly known as the cost of living index, was 156.1 on April 15, computed with the 1935-39 level as 100, or normal. Retail prices for foods dropped while prices for all other major groups of living essentials advanced during the month.

Food prices in large cities declined 0.8 percent. Clothing prices rose 0.2 percent.

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From New York Journal of Commerce, May 27 -

SUGAR DECONTROL BILL-Representative Gamble of New York has introduced legislation seeking sugar decontrol immediately...The IEFC sees larger sugar production in 1948...Sugar interests urge industrial users to build inventories to guard against contingencies...Beet sugar deliveries were lower in April, indicating the slowdown at the time in demand.

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From St. Paul Pioneer Press, May 20 -

FEDERAL POTATO PROGRAM BACKFIRES - Government destruction helped spud prices to crash levels of \$5 a bushel for old crop potatoes in the Twin Cities Monday.

As a result the federal potato program backfired and consumers and producers began asking for a new deal, which growers said they will try to get in a series of meetings beginning next Monday on a new 1947 program.

As for producers, they and spokesmen for farmers generally showed concern lest necessary and moderate postwar farm price supports become discredited in public opinion by the unpopular combination of high costs and destruction of potatoes. It is feared that the whole long-time program of protecting farmers from future price collapse may be in jeopardy unless a better plan for potatoes is found.

Questions were even raised in farm circles as to whether some Washington officials may not be using the potato program in a way to undermine postwar farm price supports generally. With the farm appropriations issue coming to a head in Congress this week, the consumer resentment against the potato program is said to be placing a potent weapon in the hands of the farm opposition forces in Congress.

The continued destruction of potatoes in the face of high prices is being done on the responsibility of Washington, and against the persistent recommendations of Midwest administrative officials on the ground, it is said.

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From Richmond (Va.) News Leader, May 21 -

CANADIAN POTATOES SOLD HIGH; STATE CROP DESTROYED CHARGES CAUSE MEN - Richmond housewives are buying Canadian-grown potatoes at double the price they would be charged for those grown in Virginia because the United States government destroyed a considerable portion of the potato crops in this and neighboring States, O. D. Judd, legislative chairman of the Virginia State Restaurant Association, charged today.

On behalf of the association, Mr. Judd wrote Congressman August H. Andresen, chairman of the House Agriculture Committee, that one Richmond wholesaler alone had received eight carloads of Canadian potatoes since April 16.

Meanwhile the letter adds it reported that "potatoes were destroyed at Toano," a town approximately 40 miles from Richmond.

Local suppliers are quoting a wholesale price of \$4.50 per hundred pound on Canadian potatoes, the letter said.

"We were advised by the Department of Agriculture that the price paid for potatoes so destroyed was \$2.50 per hundredweight," Mr. Judd wrote. "If potatoes were destroyed in Virginia or near by, simple arithmetic would show that the people residing in this section of the country are now paying 100 per cent more for the same commodity due to such destruction."

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Farm Digest 1105-47

From Jersey City, New Jersey Journal, May 21 -

DUMPING POTATOES - Editorial - When so many people are in need of food and when prices are so high that the housewife has to watch every penny as she markets for the family meals, it does seem strange that the government dumps surplus potatoes in the field. The latest potato-dumping took place in Alabama, when the government disposed of over 50 tons of potatoes, giving the reason as a glutted market.

You cannot make the housewife believe that the market is glutted when she has to pay six cents a pound or 51 cents for 10 pounds of potatoes -- a higher price than she has been accustomed to pay. Potatoes have jumped in price to such an extent that the housewife who is forced to count her pennies has shifted to less expensive starch foods. If the government is correct in the statement that the market is glutted, then is it any wonder that the housewife, who has to pay high prices for potatoes, cannot comprehend why the government dumps potatoes in the field and pours kerosene over them to make them unfit for consumption? Even at five cents a pound the government potato-dumping amounted to \$5,000 -- more money than most men make in a year. When a market is glutted with a product the assumption is that the product price is reduced so as to use up the surplus. In the case of potatoes, cheaper prices would bring the potato to more meals daily.

From Des Moines (Iowa) Tribune, May 20 -

FARM LAND PRICES - Editorial - President Truman is concerned about the rise in farm land values, and has instructed Secretary of Agriculture Anderson to call a national conference on the subject.

Until recently, the inflation in land values has not been such as to cause much trouble. Purchases of farms at rapidly-rising prices have been mostly for cash or a large percentage of cash. Buyers have been able to protect themselves against declines in farm prices, because they weren't piling up heavy debts.

Lately, however, the Department of Agriculture has noted an increasing number of land purchases where the buyer took on a 70-per cent or greater debt, giving a mortgage in return. Loans of this size will be in shaky position after a decline in farm prices.

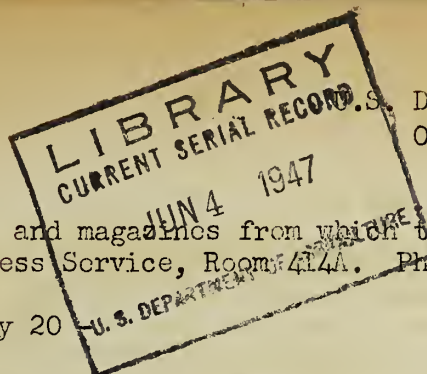
In 1946, about one-third of the mortgage-financed sales of farm land (one-seventh of all sales) were for loans of 75 per cent or more of the sale price. Three-fourths of the mortgage-financed sales (one-third of all sales) were on mortgages for 50 per cent or more of the sales price.

The danger that many farm families will lose their wartime savings by unwise bidding up of farm land is a real one.

From Great Falls (Mont.) Tribune, May 10 -

AMERICAN FOOD CONSUMPTION - Editorial - Quite a few persons may remember that shortly after the war in Europe ended the department of agriculture issued some warnings to poultry raisers about a possible surplus of eggs in this country. The average consumption of eggs in the United States had risen from the prewar figure of 298 per person per year to 392. The experts figured that Americans were eating so many eggs because they couldn't get enough meat.

1914
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DAILY FARM NEWS DIGEST
(For May 20, 1947)



U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414. Phone Gene Harrison at 6031.)

From New York Times, May 20

DIMINISHING STOCKS OF RAW COTTON IN JAPAN CONSIDERED A THREAT TO REVIVING INDUSTRY-Tokyo-At the end of next month Japan's stocks of raw cotton will amount to only 228,000 bales, which is less than three months' supply.

Because it takes about four months between a purchase in the United States and delivery to a Japanese mill, occupation officials frankly are worried at the situation. They have issued instructions to the Japanese that if cotton is not contracted for by June 15 they must slash their current textile production schedules by 20 percent. If the following month still sees no additional cotton in prospect they must cut production by 40 percent and if the situation persists a month later the cut in output must be 60 percent.

This precaution has been taken to prevent the textile industry from riding blithely to the edge of the precipice erected by Washington's failure to take action about finances.

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SEEKS PRICE PROTECTION: FOOD GROUP TO URGE GUARANTEES AGAINST CUTS AT JUNE PARLEY-A resolution demanding that all manufacturers who sell direct to retailers guarantee their merchandise for thirty days against price declines will be introduced by the New York State Food Merchants Association at the San Francisco convention of the National Association of Retail Grocers, which will be held June 22 and 26, it was announced over the weekend.

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BARS CIGARETTES IN MAIL TO GERMANY: ARMY ACTS TO CURB BLACK MARKETS-- POST EXCHANGES WILL MEET NEEDS OF FORCES-Washington-In a move to curb black market operations and resultant inflation in Germany, the War Department announced today that private shipments of cigarettes and tobacco to American personnel in the occupied zones would be banned on and after May 26.

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From Wall Street Journal, May 20 -

EUROPE'S DROUGHT sharpens Continental hunger for U.S. grain-Since mid-March extremely dry weather has parched fields in Rumania and Bulgaria. Now the soil thirst spreads to Greece, Czechoslovakia and Austria.

The drought follows a bitter winter and swirling floods which cut crops in Germany, France and the Balkans. In its blighting influence it joins hands with lack of fertilizer, lack of farm machinery, lack of labor.

All this adds up to one clear cut prospect: Europe will want every pound, every bushel of grain it can get from U.S. bumper crops this year.

Grain hunger persists in the Orient, too. India alone says her grain needs will be 200 million bushels above her supplies this year.

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From Wall Street Journal, May 20 -

SUGAR RATIONING TO INDUSTRY IS BRINGING NEW HEADACHES TO U.S. OFFICIALS. While some commercial consumers still complain they are pinched by present quotas, others are beginning to take less than they are offered. Ration officials say some candy makers, bakers, and drink bottlers are among those taking less than their allotments.

This pulls the average industrial use of sugar down below the level set in the rationing system because those who want more can't get it. And so far authorities haven't found a solution to the problem. They'd like to boost allotments where needed without making an across the board increase.

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STEAK DINNERS will grow cheaper as summer goes by--That's the opinion of meat experts, who say the seasonal movement of cattle to market in months ahead is sure to hack down the price of a porterhouse. Some say flatly beef prices will be snipped 25% by the end of September.

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LUMBER SHIPMENTS slipped 4% below production in the week ended May 10. And new orders received by mills were 8% below the production rate. This is a significant "pipeline" barometer. So far this year weekly shipments have been running 10% above the production rate. New orders have averaged more than 12% above the production rate.

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SIMPLE ARITHMETIC shows how runaway food costs hack into physical volume in the grocery business. Latest official figures place dollar volume sales of wholesale grocers about 10% above a year ago. But wholesale food prices are 45% above last spring's level. Obviously, people are buying considerably less food than they were at this time in 1946.

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DAIRY FARMERS LOSE MONEY by tossing alfalfa hay into old fashioned haymows. So say feed scientists who have completed tests showing alfalfa thus stored loses a third of its protein content. Put the alfalfa in an air tight silo, say the experts, and protein loss is cut in half. Dairymen have to make up protein meal. With the meal costing around four cents a pound, the scientists compute savings from silo storage at \$15.60 per acre of alfalfa harvested.

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From N.Y. Journal of Commerce, May 20 -

CUBAN SUGAR CROP--With favorable weather for the next few weeks Cuban sugar production for this year will reach 6,250,000 tons, which is 100,000 tons more than previous estimates. With 40 of the 160 mills finished grinding it is estimated that up to yesterday 5,800,000 tons have been made...Demand for sugar here has shown a slight pickup but there is nothing to indicate yet that the demand will be sustained, although with the approach of warmer weather broader buying is forecast.

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From Hutchinson (Kans.) News-Herald, May 11 -

ALL THAT WHEAT AND NO WAY TO MOVE IT - The greatest wheat crop in Kansas' history will be combined with the greatest shortage of railroad freight cars --- with the result the big boom in prospect for the wheat belt may turn out in some sections to be a big bust.

Railroad officials in this territory have admitted they will not have ample box cars to handle the movement of 1947 grain, now estimated at 120-125 million bushels in 36 Southwestern Kansas counties. Despite enormous increases in shortage capacity, there will be considerable grain dumped on the ground and most producers expect a far heavier loss from this improper handling than last year, when thousands of bushels were ruined.

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From Chicago Journal of Commerce, May 12 -

FARM PRICE FLOORS ABOVE PARITY LEVEL KEEP FOODS AT PEAK - Informed observers are virtually unanimous in their belief that food relief for Europe is much more urgent now than it was immediately following World War I. The general disruption of World War II was far more severe than in the earlier conflict, transport and industry more widely demoralized. On top of all this, the Continent has experienced one of the worst Winters in history. Crops sown last Fall were badly damaged and yields will be small.

In these circumstances, the Truman administration's policy of keeping farm price floors at levels well above parity is becoming increasingly difficult to explain. Secretary Anderson tried it recently, but he made no more sense than the current support program. The best he could do was to assert that his department's price bolstering activities are having "almost no effect" upon living costs.

It is of course true that the support program had relatively little to do with boosting such items as wheat and hogs, for example, to their present levels. But it is definitely not true that the support program is in no way responsible for keeping prices high.

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From Hartford (Conn.) Times, May 12 -

REVIVES FARM SURPLUS PLAN - Editorial - Secretary of Agriculture Anderson has taken up the recent alarm of the farm belt over approaching agricultural surpluses and accompanying low prices. He is looking far ahead, beyond the end of 1948.

Mr. Anderson proposes that the 1948 Congress pass a law which, as he defines it, is the twice-passed and twice vetoed McNary-Haugen plan of the twenties. It would subsidize exports or other use of agricultural surpluses without cutting production.

President Coolidge twice vetoed the plan as too costly to the federal treasury and as self-defeating. The guaranteed price to farmers, without acreage control, would stimulate the production of surpluses. Thus the solution was seen as but an aggravation of the malady.

Secretary Anderson has a good heart. He would put "floors under consumption" as well as under farm prices.

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From Lexington (Ky.) Herald, May 12 -

SLASHES AFFECT AGRICULTURE - Editorial - There is general approval of reduction in expenses but often when public expenditures are cut the effect is not known until many months afterward. A reduction of at least 33 1/3 per cent in the Agriculture Department budget has been reported as in the making by the House Appropriations Committee.

Now, if agricultural appropriations could be economically cut to this point without reduction of services of government, this would be all right. They can not. Therefore reductions must be made in benefit payments and will have an effect upon the farm program.

There is absolutely no way that agricultural expenses which total about one-third without slashing deeply the whole program that is based upon better farm practices, support prices and activities to develop farm markets.

In practices under the Production and Marketing Administration's program agriculture has greatly profited in this country.

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From Springfield (Mass.) Union, May 13 -

THE SUGAR SUPPLY - Editorial - With surplus sugar overflowing the warehouses and clogging refineries in many Eastern cities it seems inevitable that the six-year shortage will soon be declared at an end and sugar restrictions removed, to the delight of housewives and industrial users of that product.

The crop outlook, moreover, is excellent. Cuba expects a 1947 bumper crop, which should be the largest in the world, while prospects in other cane-growing territories supplying the United States are good and sugar beet growers at home expects near-record harvest.

The Agricultural Department economists are still cautious, but Secretary Anderson hints at a prompt end to allocation and price controls if the present outlook is confirmed. While the domestic beet harvest would not provide sugar until next winter, the bulging stock-piles of Cuban sugar already on hand, and the almost certain prospects of a bumper crop on the way, could prompt the official decision to remove controls earlier than the October 31 legal deadline.

The date will be announced suddenly and without warning when it comes in order to prevent speculators from making a killing. Thus if agriculture discountenance an early lifting of controls we may be assured that they are going to surprise us with the good news.

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From New Orleans (La.) Times-Picayune, May 13 -

'ANTI*FLY' CAMPAIGNS - Editorial - Mississippi's entry in the list of the half-dozen or more states that are turning DDT guns against the fly in all-out, statewide campaigns puts her high in the ranks of the wise. Iowa seems to have been the first state to announce plans for a universal swoop-down on the pest. Idaho, where 50 communities solved fly problems in 1946, is extending the work this season. It may be a little too late for Louisiana to get started this year, but something along this line should be a "must" for 1948.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Room 414A. Phone Gene Harrison at 6031.)

From New York Herald Tribune, May 19 -

CLAY STRIVING TO TELL GERMANS OF U.S. FOOD AID; FULL-SCALE PUBLICITY DRIVE IS ORDERED TO COUNTERACT REDS' HUNGER PROPAGANDA - Berlin - General Lucius D. Clay disclosed today that he and his staffs have started an extensive campaign by press and radio to tell hungry Germans the "full story" of American efforts to provide them with food. One purpose, he said, was to counteract Communist propaganda stressing the food shortages in the western occupation zones.

The American Military Governor said he had ordered his staffs to undertake a full-scale information campaign by press and radio

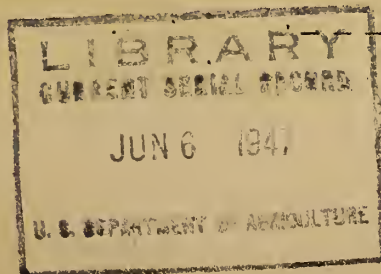
PARTY CHIEF URGES EFFORT - Berlin - Kurt Schumacher, chief of the Social Democratic party, has asked his followers to do their utmost to turn in surplus foods, it was disclosed today. "The fixed percentage of farmers' deliveries should be increased," he was quoted by his deputy, Friedrich Heide, as saying. "In the country it is not unusual to bake a wonderful cake while people in cities are starving.

"We have no moral right to ask for relief from foreign countries if we don't make every possible effort to help ourselves."

30,000-TON DISTRIBUTION - Washington - The American Military Government will distribute 30,000 tons of food from special stocks set aside "for prevention of disease and unrest," in an effort to combat the German food crisis.

NO PREFERENTIAL FOODS FOR JAPAN TO BE SOUGHT - New Delhi - General Douglas MacArthur does not seek preferential treatment for the Japanese in the importation of food, Willard Egkvist, chief of price control and rationing division of Allied Headquarters in Japan, said today. He is here for the United Nations Food and Agricultural Organization's rice conference.

SIAM COMMANDEERS RICE - Bangkok (UP) - The government of Siam began to commandeer rice today in order to thwart merchants and millers who have been hoarding in anticipation of higher prices.



From New York Journal of Commerce, May 19 -

WORLD SUGAR SITUATION - Despite world-wide efforts to increase food production, the early crop outlook is for only a slight increase for the new crop year, according to Office of Foreign Agricultural Relations. Several importing countries will show a decline in grain production. Credits will be one of the major factors in foreign trade in farm products.

SUGAR DEMAND - Demand for sugar at the weekend was reported to be showing some natural pick-up based on improvement in weather conditions and not related to recent action taken by Washington. . . . World sugar production is substantially above a year ago, with the progress toward recovery of the European beet industry substantial.

CORN IN THE LIMELIGHT - Corn steals center of grain futures stage as prices advance sharply on buying stimulated by small country offerings, an active cash demand, and talk of possible relaxation of export controls to permit sales for feeding abroad. New crop wheat also is strong, but May contract is fractionally lower.

FERTILIZER USE JUMPS 13 PER CENT - Washington - More commercial fertilizer was used by American farmers in 1946 than in any previous year, the National Fertilizer Association reported over the week-end.

Maurice E. Lockwood, president of the association, made public the association's annual report on consumption which shows that approximately 14,900,000 tons were used in 1946, representing an increase of 1,700,000 tons or 13 per cent. Above 1945, the previous all-time peak. Consumption last year was more than twice as large as the average annual consumption in 1935-1939, the period immediately preceding the outbreak of World War II.

From Chicago Daily Tribune, May 19 -

RETAIL FOOD PRICES SLIP, OFFSET OTHER CONSUMER INDEX RISE - Washington - The Bureau of Labor Statistics yesterday reported retail food prices dropped 0.8 per cent between mid-March and April 15, the costs of other living essentials continued to advance.

In preliminary estimates on retail prices of goods and services bought by "moderate income city families," the bureau said overall consumers' prices dropped slightly after hitting a record high in March.

The decline in retail food prices more than offset advances in other living essentials which averages less than 0.5 per cent. The consumer's price index dipped from the mid-March high of 156.3 to an estimated 156 in mid-April. The index had remained slightly over 153 from mid-December to mid-February, but rose in March.

From Kansas City (Mo.) Star, May 9, -

READY FOR GRAINS; KANSAS CITY STORAGE FACILITIES ARE IN BEST CONDITION EVER FOR BIG TASK - Kansas City's giant grain storage facilities are being put in shape for the task of handling an expected record wheat crop which will begin moving late next month.

And the network of yawning bins never has been in a better position to do the job. Elevators throughout Greater Kansas City, with a total capacity of 61,232,000 bushels, already are as empty as they ever have been, operators report.

A large part of the 5 3/4 million bushels of grain now in storage belong to the government's Commodity Credit corporation and contracts call for it to be moved for export before the 1947 wheat rush begins.

That every bit of available storage space, not only in the immediate Kansas City area but also through Kansas, will be needed is a conceded fact. The anticipated bumper crop, coupled with a shortage of boxcars for moving the wheat from the harvest areas, makes that certain.

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From Baltimore (Md.) Sun, May 13 -

\$4 U.S. WHEAT SEEN IF EXPORT CONTROL ENDS - Washington - American wheat prices may rise to new peaks of \$4 a bushel in competition with grain from the Argentine if export controls are permitted to lapse at the end of next month, spokesmen at the International Emergency Food Council predicted today. Both import and export controls are scheduled to expire June 30 unless Congress acts to continue them. A bill for continuance of export controls for another year now is being considered by a subcommittee of the House Armed Services Committee.

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From St. Louis (Mo.) Star-Times, May 10 -

U. S. TO LOSE \$42 MILLION BY SUPPORTING EGG PRICES UNDER POLICY ORDERED BY CONGRESS - Washington - About a quarter of the \$333,000,000 requested by the administration to support agricultural prices during the fiscal year 1948 will be used to buy eggs.

It is estimated the government will lose \$42,899,000 on the egg deals. The purchase of eggs to keep the price up is a commitment made by Congress, not the whim of some bureaucrat in the Department of Agriculture, as some critics would like to picture it.

To meet war needs the government requested expansion of production in 14 farm commodities, including eggs. Congress passed the so-called Steagall amendment guaranteeing price support on these commodities. Prices, under the law, must be supported at not less than 90 per cent of parity or comparable price for two years after the declaration of the end of hostilities -- that is until December 1, 1948.

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From Philadelphia (Pa) Bulletin, May 13 -

WOOL DANGER; TARIFF CAN CAUSE VAST DAMAGE - Washington - The hearings upon the reciprocal trade treaties before the Ways and Means Committee of the House are dramatically demonstrating that American farmers not only gain nothing by tariffs on their produce but are curtailed and impoverished by all tariffs, their own included.

Here is a typical example. Recently the wool growers of the West made such a hullabaloo that the committee not only voted to retain a great import duty on wool but to add a national subsidy to maintain an even more exorbitant price for the domestic product.

Now let's see how this helps the farmers of the Nation.

Today 80% of all wool used in this country is imported. So the consequence of this alleged help is that while a small group is enriched, every other farmer, as well as the rest of the population, pays through the nose not only for the small amount of wool the West produces but for the 80% they do not produce. It is estimated that by the time this cost is reflected in the clothing of the Nation, the people pay something like six times as much in extra expense as the total gross value of all the wool grown in the United States.

From Dallas (Tex.) Times-Herald, May 8 -

THIS NATION WILL DECLINE IF SOIL LOSS CONTINUES - Editorial - During the last two decades the general public has begun to give soil conservation the attention it deserves, but many individuals, particularly city dwellers still think of it as a pet hobby of theorists and chronic worriers.

Land, at the beginning, was the most plentiful resource of this nation. Naturally, it is difficult for us to appreciate the fact that we have lost hundreds of billions of dollars worth of soil and that the time has arrived for energetic conservation.

It is high time for us in Texas and for citizens of nearly all other States, to realize that one of the most important, if not absolutely the most important, tasks for this country is to conserve and rebuild the soil. If this task is neglected, ultimate decline of the nation is inevitable.

Dr. H. E. Bennett, chief of the Soil Conservation Service, is now in Texas checking up on the progress that has been made toward prevention of soil erosion and on the need of additional measures to forestall this loss of vital capital wealth.

Much good can be done by the federal agency headed by Dr. Bennett, but results will fall short unless the state and local effort supplements the federal activity. Certainly, nothing worthwhile can be accomplished without wholehearted cooperation among land owners.

From Buffalo (N.Y.) Courier-Express, May 12 -

FOOD FOR WHOM? - Editorial - A slight contrast in methods of treating a defeated nation is provided by the current situation in Romania.

Famine is rife in large sections of Romania. To relieve it the United States has poured in large quantities of grain and other emergency food supplies. To increase it Russia has levied a demand upon Romania for 400 car-loads of white flour to help feed 250,000 Russian occupation troops.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 26 -

CLARK SAYS RUSSIA VIOLATED PLEDGES, GOT AUSTRIA'S FOOD-Gen. Mark W. Clark, in a radio speech last night, accused the Russians in Austria of illegal confiscation of Austrian cattle, food and other resources and of exporting surpluses above their own needs in direct violation of the Potsdam agreement.

"The Soviets in Austria have not cooperated with the other occupying powers in accordance with the solemn pledges all of us made to the world for its future peace and prosperity," Genal Clark declared in a broadcast over the Columbia Broadcasting System.

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GERMAN FOOD NEED LIKELY TO CONTINUE: LITTLE CHANCE OF IMPROVEMENT FORESEEN-Berlin-Food and agriculture experts here believe that the current food crisis will prove to be chronic until at least the fall of 1948.

Even increased imports from the United States, they point out, can only prevent starvation, nothing more. Harvests will raise periodically the indigenous sources and thus individual rations, but they cannot bring the daily caloric ration much higher than the present 1,550, it is believed.

The future outlook is further darkened, not so much by the inability to increase local food production as by the general food agricultural forecasts throughout the Northern Hemisphere. This means, it is pointed out, that even increased dollar credits through the bi-zonal export-import program would not solve the question as to which countries most deserve the United States output.

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50% WOOL TAX SEEN IMPERILING TRADE: AUSTRALIAN INTERESTS FIND U.S. LEVY INCONSISTENT WITH PURPOSES OF GENEVA-Sydney-Wool interests said today that if the Senate passes and President Truman signs a bill imposing a tariff up to 50% on wool imported into the United States, the whole international trade conference at Geneva will be imperiled.

Comment here followed the same lines as that of the bill's opponents, when it was passed in the House last Friday; that such a measure was almost hypocritical at a time when the United States was trying to lower international trade barriers.

If the measure were finally enacted into law, wool interests said, the U. S. could not meet Australia's reciprocity proposals at the conference.

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FINLAND WILL TRY SOVIETIZED FARMS: THE RUSSIAN COLLECTIVE SYSTEM TO BE INTRODUCED THERE ON EXPERIMENTAL BASIS-Helsinki-The Soviet Union's system of collective farming is about to be introduced experimentally here.

The experiment is part of an extreme Leftist scheme to socialize agriculture completely on the Russian pattern. It follows the land reform that chops up big and medium-sized estates.

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From New York Journal of Commerce, May 26 -

SUGAR POSITION CHANGES-The sugar position is now reversed. Refiners importers a week ago were crowded with surplus supplies, but today the refiners on some packages are behind on orders as the demand widens with improved weather and prospect of a heavier call for sugar as new stamps become available on June 1.

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CANNED FOODS-With the citrus juice packing season almost ended, carryover stocks in Florida canners' hands appear to be moderate, with orange juice holdings at about two and one-half months supply, blended at three months and grapefruit juice at five and one half months. Meanwhile, Coast fruit canners are inclined to hold back on new crop plans due to price uncertainties. Early salmon catches on Columbia River have been disappointing.

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FARM FUNDS CUT CALLED 'DYNAMITE'-Washington-Senator Aiken (Rep. Vt.) asserted today that the 32 percent cut in Agriculture Department funds voted by the House Appropriations Committee would "blast the Republican Party off the map" if finally passed by Congress.

Aiken, who often votes counter to the majority of his party colleagues, told a reporter he thinks there is "political dynamite" in efforts to cut farm program expenditures.

"I think that a 20 percent reduction in administrative expenses can be made without hurting anything," he said "but if the action of the House Committee in scuttling some of these Government programs stands, it's going to blast the Republican party off the map."

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From Wall Street Journal, May 26 -

FREIGHT SHIPMENTS will continue at near record levels, the American Association of Railroads predicted. It said heavy summer loadings of perishables beginning in mid June, will bring a tightening in the refrigerator car supply. But the most critical problem now in sight, it added, is the heavy demand for box cars to load the record winter wheat crop, due to start moving in a few days. The grain loading roads have already accumulated 5,000 empty box cars but more will be needed.

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THE U.S. AND BRITAIN will issue an important statement on Germany tomorrow. Lord Pakenham, British Minister to Germany, announced the event, which he said would usher in "a new era" in the history of the British and American occupation zones. Washington sources, meanwhile, hinted the two countries would announce a program of increased production in their occupation zones, without waiting for Russia to join a Big Four agreement on Germany. The statement probably will be issued jointly by the U.S. and British occupation commanders, who will meet tomorrow in another conference on Germany's critical food shortage.

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From The Grand Rapids (Mich.) Press, May 21 -

DRIVE HURTS FOOD TRADES - President Truman's campaign to reduce prices has raised havoc temporarily with some branches of the food business, according to reports from reliable sources.

Many wholesale grocers have withdrawn from the market until they have liquidated inventories. Even though they are completely sold out of some items, grocers are reported to be refraining from reordering until inventories of competing items are reduced or completely liquidated.

One food packer said "there seems to be a determined effort on the part of both wholesale and retail grocers to empty their shelves of a lot of so-called 'cats and dogs'."

A cherry packer reported that pie bakers deliberately tried to break the market on the crimson fruit by refusing to buy. The industry found it necessary to create a consumer demand for cherry pie to force pie bakers back into the market. Prices now have stabilized at two-thirds last fall's wholesale market.

Food industry leaders are fearful that the nationwide drive to liquidate inventories will eventually bring a flood of buying orders into the market and another inflationary price boom.

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From St. Paul (Minn.) Pioneer Press, May 21 -

LESSON OF POTATOES - Editorial - The present potato price squeeze on consumers teaches a vital lesson about Washington administration of the federal farm programs.

That lesson is being driven home right now by the impact on agriculture of two serious blows in Congress. The first is the drastic cutting to be recommended very soon by the House Appropriations committee of farm funds including those for soil conservation, crop insurance, school lunches and farm marketing research. The second is the decision, despite warnings of Senator Thye and others to postpone enactment of permanent farm legislation at least until next year.

The great lesson being taught by the backfire of the potato program is that the basic though unwritten rule of democratic government applies to the farm programs as to all others which are devised to aid economic or other groups.

The basic requirement is that of reasonableness. Whether they happen to be in the interests of business or labor or agriculture, the protective programs must be applied administratively in ways that are reasonable in the light of the general public interest.

The Washington administration of the potato program has not been reasonable, in the respect that big scale government destruction of potatoes has now contributed to scarcities pushing consumer prices of old potatoes up to the neighborhood of 6 cents a pound and of new potatoes higher right here in the midst of a surplus potato region. And one disturbing thing about it is that, in spite of the demonstrated public resentment against the destruction of 1946 crop potatoes, the same process of destruction now is starting all over again in the South as affecting the new 1947 crop. The price of those potatoes reached 9 2-3 cents a pound or \$5.80 a bushel in some Twin Cities stores Monday.

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From The Grand Rapids (Mich.) Press, May 21 -

TOO MANY POTATOES - Editorial - Those widely published pictures showing the dumping of tons of surplus potatoes probably have given most of us at least a few conscience-stricken moments. It's never easy to pass off the destruction of food-stuffs as "just one of those things," and it's even less easy with the facts of the food crisis in Europe and Asia before us.

Unfortunately, however, it isn't practical to ship potatoes abroad, no matter how much the world's hungry population might appreciate them. They are too bulky, are mostly water (at least 80 per cent) and spoil too quickly.

The potato surplus doubtless is to be attributed largely to the fact that a bumper crop was harvested last year; but it is also to be explained partly by the fact that other foodstuffs have become more abundant. In other words, potatoes are having to compete in public favor with other foods. One of these, of course, is wheat--a commodity which still is badly needed abroad and which is easy to ship.

We in the United States could aid the international program greatly, help to stabilize the potato market and avoid further waste by substituting potatoes for wheat and similar products wherever possible. In the long run we would profit financially, too, since we, through the government's price support program, will have to pay for those dumped potatoes.

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From the Times-Picayune, May 21 -

AIM IS IMPROVED COTTON IN SOUTH; RACE WITH SYNTHETICS CITED BY TECHNOLOGIST-Atlanta - The South's cotton farmers, in their race with synthetic producers, are growing fewer varieties and giving attention to quality improvement, Francis L. Gerdes, department of agriculture cotton technologist, said today.

Addressing a group of cotton leaders here, Gerdes declared quality improvement and increased research in production and marketing problems were helping cotton hold and enlarge its standing in competition with synthetics.

The trend is toward production of fewer varieties, he said. Last season more than four-fifths of the acreage was planted to only seven varieties where a few years ago more than 100 different varieties were being planted, he explained.

Gerdes, who does research work at the government's cotton testing laboratory at Stoneville, Miss., said fiber tests, a war-born practice, are helping improve the quality of the product, particularly in the development of new strains of better spinning quality.

As a result of concentration on fewer varieties and continuing fiber tests, he said, farmers are in a better position to raise cottons which are in greatest demand by textile mills.

Mechanization, he continued, is contributing to cotton's progress. The mechanical picker, he said, makes it possible to harvest cotton before too much exposure to weather.

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DAILY FARM NEWS DIGEST
(For May 23, 1947)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D. C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 23 -

COSTS IN GERMANY ON U.S. SEEN RISING; \$750,000,000 PREDICTED IN '48 FOR FOOD AS EXPORT PLANS LAG, ALLIES LACK DOLLARS--Berlin, AP--As ships from America unloaded food in German ports today, United States economists predicted that American taxpayers would have to foot a bill of \$750,000,000 in 1948 for feeding 46,000,000 Germans in the western zones.

Col. Hugh B. Hester, chief of the food and agricultural branch of the American Military Government, said he believed the peak of the food crisis in western Germany had passed. He said gradual but substantial improvement was expected between now and the next harvest.

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STARVATION PERIL IS SEEN IN EUROPE; AMERICANS MUST ACT QUICKLY IF DEMOCRACY IS TO SURVIVE, CARE OFFICIAL SAYS - Americans must wake up to the fact that much of Europe is still on the verge of actual starvation, Paul Comly French, general manager of the Cooperative for American Remittances to Europe said yesterday.

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VETO OF WOOL BILL IN PRESENT FORM SEEN--Washington, AP--Representative John W. McCormack of Massachusetts predicted today that the wool bill will be vetoed if sent to President Truman in its present form. As debate on the measure got under way in the House, he read from a letter which he had received from Under-Secretary of State Will Clayton, in which the latter expressed opposition to certain features of the bill and said that if they were adopted "we stand convicted of insincerity in our trade talks."

Mr. McCormack advocated adoption of a Senate-passed wool bill or an amendment which Representative C.A. Herter of Massachusetts said he would offer.

The Senate bill provides for continuation of the Government wool purchase program at 1946 market prices. The proposed Herter amendment would guarantee growers a return of 90 percent of parity, a figure which he said would be only slightly less than the present world market price level. The bill before the House would guarantee wool growers about 42 cents a pound.

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FOOD EXPORTS SHOW DROP; \$35,140,000 DECLINE IS REPORTED IN QUARTER BY GOVERNMENT--Washington, AP--Exports of food from this country during the first quarter of this year dropped \$35,140,000 under the first quarter of 1946, the Commerce Department reported today.

Total for that period was given as \$614,998,000 including lend-lease and UNRRA shipments, which have declined considerably in 1947.

Food imports during that period increased 36.7 percent over a year ago and reached a value of \$421,094,000.

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From New York Times, May 23 -

FARMERS OF WORLD ADOPT A PROGRAM; FEDERATION AT HOLLAND MEETING AGREES ON PLANS FOR WIDER PRICE, HEALTH STANDARDS--Scheveningen, the Netherlands--The International Federation of Agricultural Producers announced this afternoon the results of policy negotiations carried on over the past ten days. This marked the highlight and was virtually the finale of the first regular conference to be held by the group, established a year ago.

"It is the duty of the federation not only to primary producers but to the world as a whole to formulate precisely the views of its members on the world production, distribution and consumption of foodstuffs and on measures that will achieve universal and lasting prosperity," the policy committee report said.

It will be the purpose of the federation to extend agricultural production to ~~moot consumer~~ needs, to campaign for annual surveys of production programs, to restrain competition so as not to "endanger the position of those who do not have speedy access to capital mechanization or inorganic fertilizers," and to create an orderly system for the handling and distribution of temporary surpluses.

Also to see that "provisions of food from whatever source for the attainment of a health standard" must be a Government responsibility; to see that farm wages compare favorably with those "of others of equal capacity."

The federation is resolved to become an "effective and powerful influence for good" in the world; to strive for greater stability of world price and employment levels, and to advocate most strongly the negotiation of agreements for suitable staple commodities on a multilateral basis." It was affirmed that a wheat agreement should be signed soon.

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PREDICTS PRICE DROP ON FOODS IN SUMMER--Washington, AP--The Bureau of Agricultural Economics maintained today that retail food prices would decline slightly this summer and fall.

In a review of the national food situation issued today, the bureau said that foods which were likely to become cheaper included evaporated milk, cheese, most fresh and processed fruits and vegetables, fish and cereal products.

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From the Wall Street Journal, May 23 -

MEAT PRICES; LIVESTOCK MEN THINK THEY ARE DUE FOR NO BIG DROP THIS YEAR--Wichita, Kan.--There's only a slim chance the cost of meat will deflate substantially before another year, say the men who produce it.

Livestock commission men at this market who talk every day with the men who are engaged in manufacturing meat on the hoof cite these causes for continued high prices. Shortage of hogs and sheep, strong financial position of farmers, high purchasing power of city folk, income taxes, the weather and the government meddlers.

"It could be another story if six million men or so should lose their jobs," commented Joff King, livestock commission merchant, "but we hardly expect that. As long as wages and other income go high, the people are going to eat meat, no matter what the price. They like it and won't do without it unless they must."

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From Hartford (Conn.) Times, May 19 -

FARM-LAND 'BOOM AND BUST' - Editorial - The value of farm land in the nation has nearly doubled since 1940. It is still rising.

President Truman is alarmed. At his suggestion the Secretary of Agriculture has called a comprehensive conference for June 9 at Washington. These officials fear a "bust" after the present boom.

They remember the serious collapse after the first World War which brought on a wave of farm mortgage foreclosures, during the '20's, closed hundreds of banks and contributed heavily to the depression of the '30's.

Farm profits are pushing up farm land values. Wartime ceiling prices were moderate but yields were high, thanks to good weather. Profits were high.

After removal of ceilings, prices have kept rising due to world hunger and heavy export shipments. Again the wheat outlook is excellent. Large farm income is in the making.

It may be doubted that anything can stop the rise in farm land values except the lowering of prices of farm products. The conference will raise warning signals. They may do some good but so long as the grower receives high prices at delivery point of his products he will not be greatly frightened by warnings.

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From Nashville Tennessean, May 18 -

ON SAVING THE BARN - Editorial - It is not the going up that hurts in land values. It is the coming down that can bring poverty and suffering to the whole farm population as well as to land speculators. President Truman's concern on this score is fully justified. So is the June conference which the Department of Agriculture has called to discuss what can be done to put a stop to further land price inflation and mitigate the consequences of a collapse in land prices.

Rise in land values is an unmitigated evil. It makes the burdens of farm operators greater. It results in unearned income to owners who cash in on the gains. It invites wild speculation that discourages legitimate farm ownership at a time when farm operators are otherwise in a position to acquire homesteads. It increases the vicious evil of absentee ownership. The collapse of land values pulls many farmers into the maw of debt and heavy mortgage service.

The unfortunate consequences of a collapse of rural land values are not restricted to the farm sections. The decline in the purchasing power of agrarian America after 1920, partly through the shift of production to servicing of inflated mortgages, was one factor that brought on the 1929 depression. Though farmers have avoided some of the pitfalls in this war into which they fell in World War I, they still cannot avoid a depression into which a land bust would thrust them. Another agricultural depression will contribute to another industrial depression.

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From Lancaster (Pa.) Intelligencer Journal, May 16 -

WARN TOBACCO GROWERS AGAINST TOO-LARGE CROPS - Warning against "over-planting" of the 1947 tobacco crop was sounded Thursday by officials of the Lancaster County Tobacco Growers' Cooperative Association to its members, citing the big slump in cigar consumption throughout the country since the first of the year.

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From Minneapolis (Minn.) Tribune, May 13 -

PRICES TO HOLD STEADY, CARGILL EXPERT ASSERTS - A Minneapolis grain man, E. J. Grimes, vice president of Cargill, Inc., did not agree Monday with Loy's prediction of a drastic drop in the price of wheat.

Grimes said he believed the price would hold fairly steady for at least another six months or possibly a year.

He said three factors must be considered in forecasting a drop. They are the rate at which farmers will sell their wheat, the number of boxcars available to ship wheat to the seaboard and the extent of European demand.

Grimes said there is a "terrific" demand for American wheat abroad today and that European countries will take all the wheat the United States government will approve shipping.

The price farmers pay for other commodities will determine the rate at which they sell their grain, he said. Unless other factors in the economic field contribute to a crash in prices, Grimes said he could foresee no such marked recession in the price of wheat.

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From Cincinnati (Ohio) Enquirer, May 15 -

FARM PRODUCTION - Editorial - When agricultural interests of the United States began to work toward a planned farm crop and production program, there were many observers who insisted that such a scheme never could work. They pointed out that there are millions of farmers, large and small, across the nation; that what these men planted and harvested was their business; that any attempt to estimate or control crops would be futile.

Time is proving that such pessimistic views were not warranted. As years pass, United States agriculture is establishing itself on an increasingly substantial and efficient basis. We know now that plantings can be controlled, within certain limits; that we can plan ahead to meet the nation's essential food needs. We have shown, beyond any shadow of doubt, that our farmers, on advance notice, can -- and will -- produce items necessary to industry as well as for our tables; produce them in quantities sufficient for virtually any demand. Two generations ago such feats would have been possible.

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From Waterbury (Conn.) Republican, May 15 -

MORE SUGAR - Editorial - Announcement that sugar ration stamp number 12 will become valid on June 1 instead of on July 1 will be good news to American housewives. It is good news to countless thousands of men and women in the starvation areas of Europe, too, although they probably won't hear of it soon.

The good news is the unexpectedly good sugar crops are predicted in Cuba, Puerto Rico, the Virgin Islands and Hawaii. In Cuba for instance, the best crop since 1925 is anticipated.

It has been estimated that by the end of this year the United States, through already existing purchasing agreements, may be in control of more than nine million tons of sugar. Our average pre-war consumption was somewhat over six and a half million tons annually. The next six weeks of weather in the sugar growing areas are a major factor in the actual outcome of this year's cane crop, but the prospects are good in any event.

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DAILY FARM NEWS DIGEST
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U.S. DEPARTMENT OF AGRICULTURE
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U. S. DEPARTMENT OF AGRICULTURE
From New York Times, May 16 -

TRUMAN STRESSES 'BOOM' PREVENTION: HE SAYS PUBLIC COMMON SENSE, KEEPING CONTROL FROM GREEDY WOULD AVOID ENSUING 'BUST'-Washington-Keeping the control of the country out of the hands of the greedy and the exercise of good common sense by the public are enough to prevent an economic cycle of "boom and bust," President Truman said today.

These views were stated in response to questions at his news conference. With a certain asperity, Mr. Truman said he had declared the same views for several weeks past. The immediate job, he said, was the prevention of a boom, but he had received little legislative or public cooperation in his efforts, he asserted.

Asserting that all prices were still too high, the President acknowledged as he has on several recent occasions, the efforts of some business men to lower their prices voluntarily, in the hope of forestaling a buyers' strike and consequent recession. He gave the impression, however, that he did not believe this movement had done more than scratch the surface of what he obviously believes to lie at the root of potential economic trouble.

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ECONOMISTS URGE CURB ON DEFLATION-Washington-A nine point program for combating deflation and an economic "bust" by increasing purchasing power here and abroad was proposed today by a group of economists headed by Chester Bowles, former Price Administrator and Director of Economic Stabilization.

The "Committee for Economic Stability," sponsored by "Americans for Democratic Action" prescribed as chief remedies for a "difficult economic situation" an average 10 percent reduction in retail prices, "wide adoption of the 15 cents an hour wage boost already granted by several major industrial producers, a minimum wage of 65 cents, and tax relief for the lower income brackets.

Copies of the 15,000 word program have been presented to President Truman and Senate. Robert A. Taft of Ohio and Representative Jesse P. Wolcott of Michigan, chairman and vice chairman, respectively of the joint Congressional committee on the economic report, Mr. Bowles said.

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FOOD STORES DENY GUILT ON PRICES: A & P STATEMENT DECLARES THAT ONLY CUT IN COST TO RETAILER WILL BRING REDUCTIONS-There will be no substantial reduction in retail food prices until costs to the retailer are reduced, the Great Atlantic and Pacific Tea Company said yesterday in a statement that called for "sense" in food price discussions.

In a reference to recent price cutting in some lines, the statement said that the merchants generally, including the A&P stores, had reduced prices on many items on which they were overstocked. It added, however, that this was "common merchandising practice and has no relation to a general or permanent price reduction." The food chain's analysis of the price problem, documented with some of its own operating figures, was in line with recent assertions by independent fruit and vegetable retailers that farm, processor, and wholesale costs were holding up retail prices.

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From New York Times, May 16 -

50 SHIPS TO SPEED GRAIN TO GERMANS: 392,000 TONS OF FOOD FROM U.S. WILL ARRIVE BY 31ST-Berlin-British officials said today that a fleet of almost fifty ships would be pressed into service from now until the end of the month to speed 392,000 tons of foodstuffs from America to Germany's hungry millions.

They said the ships would pour wheat, barley, flour, oats and corn into German ports to help relieve the food crisis in the British and American zones.

Many German official and private organizations were reported sponsoring excursions of city people to the country to search for wild herbs and roots with nutritional value, but Col. Hugh B. Hester, chief of the American Military Government's food and agricultural division, said "No one is starving."

"They are getting less food than we wish they had," he added, "but they are going to be hungry this year and next. There isn't enough food in the world to feed them. Even if we had the money to spend we couldn't get it."

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From N.Y. Journal of Commerce, May 16 -

PEAK EXPORT TRADE FACES EXCHANGE FALMINE ABROAD: REVERSAL IN TREND LOOMS-The steady climb in commercial exports since the fall of 1945 may soon be reversed. Best information is that commercial exports are still moving at record levels--(four times the volume of such shipments in the early fall of 1945). But an early decline appears inevitable because of the wide gap between American export and imports which is resulting in an unexpectedly heavy drain on the dollar supplies available to other countries.

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From Wall Street Journal, May 16 -

COTTON TRADING with occupied countries heads back into private hands. A new \$20 million "cotton bank" will finance fibre exports to German and Japanese mills. The Export-Import Bank will put up \$19 million of capital, cotton traders \$1 million. The fund will be repaid by sales of textiles made from the cotton.

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GRAIN SHIPMENTS will strain freight car facilities again. Peak wheat and sugar movements will coincide. While old freight cars retire at 5,000 monthly, fewer new ones hit the rails. And of April's 4,100 new box cars, only 749 were grain carriers.

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FREIGHT RATES-The I.C.C. estimates that class rate changes will raise eastern freight revenue little more than one half of 1% and cut returns for southern and western roads a little less than 1%, based on 1942 figures.

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From Grand Rapids (Mich.) Press, May 13 -

TAX CIGARETS IN 36 STATES; ARKANSAS' 6-CENT LEVY TOPS IN NATION - Lansing - Whatever the legislature does, and it's an almost certain bet it will vote a cigaret tax of either 2 or 3 cents a package, Michigan will become the thirty-seventh state with such a revenue-raising measure.

Figures from the state department of revenue Tuesday showed 13 states are charging 2 cents and 16 states are adding 3 cents on the price of a package. Illinois, Indiana and Ohio have the 3-cent levy.

West Virginia has a 1-cent tax, three states charge 4 cents, two states 5 cents and Arkansas has 6-cent levy.

Nearly a year ago, when the cigaret tax was being advocated as a source of revenue for Michigan's bonus to World war II veterans, 31 states taxed cigarets. The five new states are: West Virginia, with 1 cent; Montana, Nevada and Oregon, each 2 cents and Indiana, 3 cents.

Idaho, Illinois, Kansas, New Mexico, Ohio, and Wisconsin have raised the state levy from 2 to 3 cents in a year. New York has a boost from 2 to 3 cents which is contingent upon the referendum on paying a veterans' bonus.

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From Kansas City Star, May 11 -

HITS CATTLE AID; KLEBERG, JR., CHARGES MISMANAGEMENT OF MEXICAN DISEASE CONTROL - Sensational charges against the procedure now alleged to be followed in the Mexican hoof and mouth disease eradication program were voiced last week by Robert J. Kleberg, Jr., president of the King Ranch, Kingville, Texas.

The Kleberg complaint is based on the historical fact that the only successful method of eradication of the disease has been to slaughter the cattle and destroy the meat on the premises.

He indorses the action of Congress in quickly providing funds but asserts that the intent of Congress has been nullified by administrative agencies charged with carrying out its mandate.

"The present wet-up provided payment with funds from the United States Treasury for all cattle in the infected areas of Mexico so long as the disease is prevalent across the border," the report said. "Instead of slaughtering the cattle and burying their carcasses in quicklime on the premises, as has been done in every outbreak in the United States, the cattle are paid for by the United States government and a major part then is given to the Mexican government and transported to slaughter houses.

"The meat then is sold in the regular way and the proceeds kept by the Mexican government supposedly to be used in the joint campaign."

"The main reason why Congress decided that the United States should aid Mexico in the eradication of the foot and mouth disease was to prevent its spread to the United States. It did not intend to provide a source of revenue to the Mexican government. But, if its spread to this country is to be prevented, it must be through an effective program of eradication and not through one that will permit it to become permanently established in that country."

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From Morning Manchester, New Hampshire Union, May 14 -

BANG'S DISEASE STATUS CHANGED IN SPOLLETT BILL - Concord - Sen. Doris M. Spollett of Hampstead today filed a new bill in the Senate which would allow owners of cattle which react to Bang's disease tests to retain such cattle for a period of five years, providing that the entire herd is placed under quarantine.

Under the present statute on Bang's disease control, owners are required to have such cattle killed. Many cattle owners have argued that it is possible for such cattle to recover from the disease. The Spollett measure is a result of this trend of thought.

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From St. Paul (Minn.) Pioneer Press, May 13 -

NOT A 'FAVORABLE' SIGN - Editorial - A prominent sales executive analyzes the reports of 10 leading economists to arrive at 14 points of agreement which he reads as pointing to a continued high rate of business. They include high and well distributed national income and purchasing power; full employment; an increase of 15 million between 1940 and 1950 in the number of American families, and other factors which obviously belong in such a list. However, there is one "stranger."

It is listed as follows: "Exports today are five times prewar totals." That is not a factor making for indefinite continuance of the present rate of business, but quite the contrary. It was appraised the other day by President Carroll M. Shanks of the Prudential Insurance company as "a gigantic threat to both employment and general prosperity (which) takes us back to the late 1920's."

Foreign trade figures for March, released last Saturday, indicate the proportions this "threat" has attained. Only in May of 1944, when the fighting was at its peak in both war theaters, has a monthly export total exceeded that of March -- and in the former month 82 per cent of all shipments were lend-lease goods. Meantime, March imports were only about one-third of the export total, having declined almost 20 per cent below the imports for December. Mr. Shanks forecast an "import deficit" of 6 to 8 billions for 1947, and the March figures indicate that this estimate will be exceeded.

"The only answer to the threat," according to Mr. Shanks, "lies in a willingness to import enough to balance what we export." Just now, we are traveling pretty fast in the opposite direction.

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From Springfield Illinois State Journal, May 6 -

WAR OVER COTTON - Editorial - Democratic senators from the South are up in arms. They have declared war--believe it or not, against the army.

The battle has come over the recently concocted plan of the army to purchase 1,200,000 bales of cotton from Brazil. The Army wants it for processing in Japan and Germany. Brazilian cotton is preferred because it is cheaper. That being true, textiles that may accrue can be disposed of at a profit.

The solons from the South, most of whom have helped make administration policies what they are, declare that none but cotton grown in their own domain should be bought.

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DAILY FARM NEWS DIGEST
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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 22 -

ANDRESEN TELLS HOUSE WE BURN POTATOES, BUY ABROAD-Washington-Representative August H. Andresen, Republican, of Minnesota, accused the Department of Agriculture today of "wanton destruction of potatoes" while potatoes were being imported from Canada at high prices.

"While Department of Agriculture agents pour kerosene on huge piles of new potatoes in Alabama, North Carolina, Virginia and other Southern States," Mr. Andresen told the House, "potatoes come in from Canada to supply those markets, and at higher prices for consumers already staggering under the cost of living."

Mr. Andresen said he had in his possession bills of lading showing that potatoes "are being imported for sale in the very territory where farmers are being paid not to harvest their crops."

Since July, 1946, the Government had bought 87,000,000 bushels of potatoes at a net cost of \$80,000,000 to carry out the price support program, he said, and "of this gigantic purchase, 22,000,000 bushels were destroyed."

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ANDERSON SAYS SUGAR MAY BE NORMAL BY '48-Chicago-Clinton P. Anderson, Secretary of Agriculture, said today that the country's sugar situation "should be normal by 1948 if it continues to improve as much as it has during the last few months."

At a press conference, Mr. Anderson said the total national supply of sugar for 1947 was estimated at 6,902,000 tons, compared with an estimated world supply of 30,600,000 tons.

As of April 30, 1947, "we are in a greatly improved position as far as stocks on hand are concerned. They are substantially above the 1946 stock," the Secretary said.

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RULES COMMITTEE CLEARS WOOL BILL: LEGISLATION MAY COME UP FOR 3 HOURS FLOOR DEBATE AND POSSIBLE VOTE TODAY-Washington-The controversial wool bill got clearance from the House Rules Committee today and may come up for three hours' floor debate and a possible vote today.

The Rules group acted after hearing Representative Hope, Republican, of Kansas, chairman of the House Agricultural Committee, outline a modified version of the legislation.

Mr. Hope said the bill as now drafted would give the President, rather than the Secretary of Agriculture the right to impose import fees if foreign wools interfered with domestic wool prices.

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From New York Times, May 22 -

U.S. IMPLEMENTS GERMAN FOOD PLAN: ORDERS STATE MILITARY REGIMES TO ENFORCE ORDERS ISSUED BY-ZONAL AGENCY--Berlin--The big stick in the food crisis behind the soft spoken appeals directed to Germans by the Military Government was disclosed in four directives today.

These threw the Military Government's full power behind orders to the German bi-zonal executive committee. Identical directives were to be issued by the British.

In essence the directives ordered individual Military Governors to assume the responsibility for informing and observing the action of the Ministers President on food quotas for delivery in the next ration period. They warned that if a state did not deliver its quota of any item an equivalent amount of it would be withheld from distribution there the next month.

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CONGRESS PASSES FOREIGN HELP BILL: \$350,000,000 MEASURE TO AID WAR-TORN COUNTRIES SENT TO PRESIDENT'S DESK--Washington--Congress sent to the White House today an authorization for \$350,000,000 of American aid to combat hunger and sickness in liberated but war-devastated countries.

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From Wall Street Journal, May 22 -

BREAD PRESERVER DEVELOPED--Kansas City--Bakeries soon will be producing a loaf of bread that will stay fresh and soft for at least seven days, members of the American Association of Cereal Chemists were told at a meeting here.

A paste solution known as polyoxethylene stearate has been found valuable as a crumb softener and in retarding the staling process.

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GOOD PRICES FOR U.S. GRAIN SEEN POSSIBLE UNTIL 1950 OR LONGER: BUT ANDERSON FEARS PRICE SUPPORT DIFFICULTIES NEXT YEAR ON EGGS, POULTRY, COTTON, TOBACCO--Washington--Secretary of Agriculture Anderson said world demand may continue sufficiently strong to assure American farmers favorable prices for food grains until 1950, if not longer.

By favorable prices, he means quotations above the level at which the government is required by law to support most farm products. The support level is not less than 90% of parity.

It is possible Mr. Anderson said, that corn likewise may enjoy good markets and prices above support levels for the same length of time.

But he foresees possible price difficulties involving government support operations, for eggs, poultry, tobacco and cotton in 1948.

Given good crops this year, he said the general level of farm prices is expected to decline 20% to 25% at most. Such a drop still would leave the level above the government support figure.

These long range price forecasts were given by the Secretary in testimony before a House Appropriations Subcommittee which considered administration requests for funds for the Agriculture Department for the coming fiscal year. The testimony was released yesterday.

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From Tucson (Ariz.) Star, May 12..

CATTLE DISEASE FIGHT MAY COST U. S. \$100,000,000; EXPENSIVE 2-YEAR BATTLE FORSEEN BY EXPERT IN WASHINGTON - Washington - Stamping out the foot and mouth disease in Mexican cattle may cost the United States \$100,000,000, members of the 80th Congress state. It may take several years of work to be sure the American livestock industry, valued last year alone at \$11,000,000,000, is protected. It may require the building of an international fence from the Gulf of Mexico to the Pacific.

Dr. S. O. Fladness was sought to check these statements by members of Congress. He is assistant chief of the bureau of animal industry in the USDA. The chief, Dr. B. T. Sinms, is now in Mexico, where experts of both nations are at work on the control program, for which the U. S. has put up \$9,000,000 and Mexico a like sum so far.

Dr. Fladness said the estimated total cost is not an exaggeration. "It will take a couple of years to control the disease in Mexico and the costs may run around \$45,000,000 a year," he said. "Even with complete success in Mexico, we shall have to use eternal vigilance for several years thereafter to protect the American livestock industry."

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From Philadelphia (Pa.) Inquirer, May 19 -

GET THE FACTS ON FUTURE FOREIGN RELIEF - Editorial - Taxpayers of the United States have a right to know, so far as the information can be obtained by their Government, what foreign relief needs they will be called upon to meet in the next year or two.

No nation, not even rich America, can go on indefinitely paying out hundreds of millions of dollars for relief on an "emergency" basis without perilously weakening its own economy.

That is why Secretary of State Marshall's new policy planning staff, soon to be assigned the task of examining world economic conditions, should get down to cases in its inquiry and come up with the grim facts, all of them.

Senator Vandenberg says he expects no new relief requests at this session of Congress. We hope it turns out that way. But what, precisely, is the prospect? We don't think Senator Vandenberg knows. We don't think anybody knows. But it's time we tried to find out.

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From Des Moines (Iowa) Tribune, May 14 -

AAA FUNDS AND OTHERS - Editorial - Congress is taking the view, with good reason, that government spending should be reduced to a minimum in this period of inflation.

Here in Iowa we are as much interested in Department of Agriculture appropriations as any, so what happens to these appropriations in the next few weeks will be worth watching.

President Truman himself recommends some reductions for AAA payments. He pointed out that soil conservation funds are less urgent in a time when American farmers are in an unusually strong financial position.

He also noted that 60 per cent of these conservation payments go to about one-eighth of the farmers anyway.

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From Chicago News, May 13 -

FIXED FARM PRICES CALLED KEY TO WORLD FOOD CRISIS - The Hague, Netherlands - The second conference of the International Federation of Agricultural Producers, organized last year in London, was opened here today with a significant address by Sicco L. Mansholt, Dutch minister of Agriculture.

Internationally fixed prices for farm products, Mansholt told his fellow conferees, are the only solution for overcoming the world food shortage.

Only when prices are controlled "will the farmer do his utmost to raise production to the highest possible level without fear that it will be a drug in the market," he declared.

This is the core of the production problem which these farm delegates assembled here from 33 countries throughout the world are here to solve in their current two-week meeting.

James Turner, head of the British Farmers Union, who has served as provisional president of I.F.A.P., during its first year of existence, put the situation succinctly:

"The world is underfed. Land is not producing to capacity. If these two plain facts cannot produce international agreement, how can we ever hope to survive the more complex problems of international existence?"

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From Greenville, (S.C.) News, May 16 -

WHEAT FOR WORLD'S HUNGRY - Editorial - The tremendous wheat crop which the country is producing this year will enable us to make record-breaking exports of the grain to foreign countries where food is acutely short, and without depriving ourselves of a fully adequate supply.

In fact it now appears that by thus helping to meet the needs of hungry people elsewhere we shall mitigate the problem of unmanageable grain surpluses in this country which would have adverse effects in the farm belt as well as costing the government large sums in price-support expenditures.

With the prospect of a wheat crop of 1.3 billion bushels, Secretary Anderson is pictured in Washington dispatches as thinking of total grain exports topping 500 million bushels, of which a minimum of 400 million, including flour, would be wheat. And it is being said that such huge exports will be essential if the United States is to escape being smothered under a wheat surplus, since the outlook is that we shall produce twice as much this season as the nation can consume at home. And Department authorities are said to be still worried as to whether it will be physically possible to export enough wheat to keep prices above the government "support" level.

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From Hutchinson (Kan.) News-Herald, May 13 -

FARM FUTURE - Editorial - From Norton County comes a fantastic story of farm inflation. An 80-acre farm that would have sold for \$12.50 an acre before the war now brings \$125 per acre. This price is the climax of a series of Kansas farm sales that have soared even above the price of farm products.

Such inflation illustrates one more tragedy of the war. The young man who is not to the manor born has less chance of entering a successful farm career today than he has in almost any other field to his liking.

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From New York Times, May 28 -

RECURRING FAMINE IS FEARED IN CHINA-Nanking-Starvation is creeping again into the famine corridor of southern Hunan and northern Kwangsi, where last year tens of thousands died of hunger.

Reports reaching here from foreigners connected with relief work in Hengyang say that deaths are already occurring. It is declared that this is happening while thousands of tons of food from the United Nations Relief and Rehabilitation Administration is being sold on the streets of Hunan cities and while warehouses hold large stocks of UNRRA rice, flour, canned goods, milk, soup powder and other provisions.

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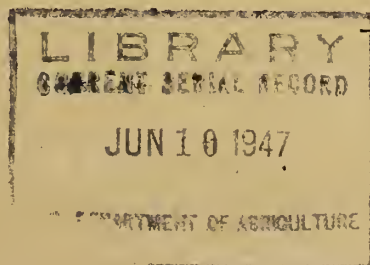
GERMAN FOOD HIGH, RUSSIANS DECLARE: CLAIM THEY MEET RATIONS IN THEIR ZONE BETTER THAN IN WEST--ADMIT DELAY-Berlin-An official report of the Russian military administration asserted today that "rations in the Soviet zone are steady and the population receives all the food it is entitled to according to ration cards."

Claiming generally higher rations for Germans in their zone than in others, the Russian authorities nevertheless admitted delays in deliveries and cited the punishment of a German food supply chief as an example of the action taken against mismanagement by Germans. The Russians also officially disclosed difficulties in obtaining the potato ration and announced the substitution of dehydrated potatoes, and tinned or salt vegetables until the new harvest. The over all picture, however, according to the Russians, is good for their zone.

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U.S. LOSES PRESTIGE BY ACTION ON WOOL-Geneva-Most of the delegates to the trade conference here appear to agree that the United States has suffered a loss of prestige over the House of Representatives' vote on the wool tariff bill and that its bargaining position here has been weakened.

When the conference was resumed this morning it was clear that the Australians, New Zealanders and South Africans were solid on the wool issue. It seems clear that the United States cannot obtain the abolition of empire preferences unless it is prepared to make a tariff reduction offer acceptable to the Dominions, including those whose chief export is wool.



Farm Digest 1115-47

From New York Times, May 28 -

NEW ZEALAND MANUFACTURERS PROTEST-Auckland-W. J. Truscott, president of the New Zealand Manufacturers Federation, declared today that "unless Americans come off their high horse, there never will be a final satisfactory solution to world trade problems."

Commenting in an interview on the United States wool bill, Mr. Truscott said, "If carried, the wool bill will force us to adopt British Empire preference***Americans seem inclined to bar New Zealand butter and cheese and take hides only when it suits them. If wool now is banned, any possible chance for a reciprocal trade arrangement with Australia and New Zealand land will be killed."

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HOUSE VOTES 189-170 FOR FARM FUND CUT-Washington-Economy advocates won a major round today in their fight to cut \$383,427,742 from the budget of the Agriculture Department of \$1,188,000,000 for 1948. The House, by roll call count of 189 to 170, upheld its Appropriation Committee's procedure in writing into the farm supply bill legislative provision eliminating \$183,000,000 from the budget.

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From N.Y. Journal of Commerce, May 28 -

SUGAR DEADLINE EXPECTED TO HOLD: VALIDATION OF ANOTHER STAMP WILL MAKE SUPPLIES FOR HOUSEHOLDERS AMPLE-Government action taken in making available immediately a new stamp which was to become effective originally on June 1 and announcing that another stamp will be validated on Aug. 1 led many trade observers to believe that rationing controls are not likely to end before the scheduled deadline of Oct. 31.

Once the August stamp becomes available, most housewives will find that effective rationing is a thing of the past, since they will have supplies with another 10 pound stamp to cash.

Meanwhile, the pressure to move supplies from first hand sellers is over with the improved demand developed with the warmer weather.

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GILMER DEFENDS PRICE SUPPORT PLAN: CITES DIFFERENCES BETWEEN SUPPORT LEVEL AND MARKET PRICES-Price support programs have saved consumers much more than the programs cost because farmers have not had to worry much about prices and have therefore maintained record breaking farm production both during the war and in the past two years, declared Jesse B. Gilmer, administrator of the Production and Marketing Administration and president of the Commodity Credit Corp.

Mr. Gilmer spoke yesterday at a meeting of the New York City Food Advisory Committee. Mr. Gilmer emphasized the great demand for food, existing in this country, stressing that the price support levels for most commodities are much lower than the actual prices received by farmers today. As an example he cited the price of hogs, saying as of April 15, "the support level was \$15.50 a hundred lbs.; the price was \$24.30."

One of the biggest factors in the cost of food today is the high cost of distribution which results from the consumer's demand for "service," Mr. Gilmer stated.

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From Houston (Tex.) Chronicle, May 19 -

BOXCARS FOR TEXAS WHEAT CROP STORED - About 1750 boxcars have been stored in Texas by the Burlington Lines awaiting the harvest of Texas' largest wheat crop, estimated at 100,000,000 bushels, Ralph Budd of Chicago, president of the Burlington, said here Monday.

"This is about 75 per cent more cars than for former harvests," he said. "But this is an unusually big one."

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From Greenville (S.C.) News, May 21 -

MORE POTATO TROUBLE - Editorial - The government is encountering difficulties in its potato price support program for the new crop and it appears probable that the dumping program this season will follow the pattern of last year.

Already some dumping has been resorted to and unless the markets can take more potatoes there may be even greater losses of this important food product than last year.

Raw potatoes are not easily shipped abroad. For that reason they have not been more extensively utilized to feed the hungry of other lands. But it is gratifying to note that the government has begun experiments in mass dehydration and canning of potatoes as a means of conserving surplus stocks. If these experiments turn out well, it should be possible to make potatoes more readily available for relief and sales abroad.

At the same time, however, the price support program should be modified in such manner as to make surplus potatoes available to domestic consumers at prices which would encourage consumption. If the government is going to lose money on potatoes, there is no good reason why consumers should not benefit from its transactions as well as the producers.

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From Mobile (Ala.) Register, May 19 -

PRESIDENT SHOULD ALSO BE CONCERNED OVER PROBLEM OF SURPLUS POTATOES - Editorial - President Truman says he is "deeply concerned" over the recent rise in farm land prices.

At his request, Secretary of Agriculture Anderson has called a conference for June 9 which the President hopes will bring "a specific program of methods of discouraging further inflation in farm real estate prices and unwise expansion of farm debts."

Department of Agriculture figures show an increase of 92 per cent in farm land prices over the 1935-39 level, of which 12 per cent occurred during the past year.

President Truman's concern may be quite justified. A wild boom and terrific crash in farm land prices could leave many American farmers in distress an experience which came to many after the first World War.

However, if the President is concerned about farm land prices, he should also be concerned about another farm problem -- the potato surplus. The dumping and destroying of a large quantity of potatoes -- an estimated fifty tons -- in Baldwin County the past week underscores the potato surplus problem.

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From St. Paul (Minn.) Pioneer Press, May 24 -

THREAT TO AGRICULTURE - Editorial - One part of the House Appropriations committee's bill cutting agricultural funds by about 400 million dollars stands out as a direct threat to the farmers of this country. That is true despite the real victory voted the rural electrification program with only a 10 per cent reduction, and the committee's skill and judgment in at least some of its choices as between applying meat ax or scalpel in making specific cuts.

The danger arises from the committee's vote to follow up a drastic slash this year with a complete knockout of all funds for the AAA county and community committee system and their soil conservation and use payments beginning on July 1, 1948.

This would mean ending the system for production controls and for implementing federal farm price supports. Thus it would in effect wipe out the federal farm price protection program entirely before there's real assurance of enacting any program to take its place. Indeed, this proposition is being coupled openly with demands by various publications, including the Minneapolis press, for ending formerly any price support program at all.

American farmers thus are in great danger of being led into the same punishing combination of huge surpluses and disastrous prices that hit them after the last war.

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From Columbia (S.C.) State, May 17 -

A STARTLING STATISTIC - Editorial - Among the proposals awaiting congressional approval is a bill, said to be influentially backed, to set up a co-operative program for control of forest insects and diseases, the cost to be shared by federal and state governments and private landowners.

That seems to be a reasonable and sound program, but the statistic which is difficult for the layman to believe is offered by the department of agriculture which declares the program would save money and has offered figures to prove that forest losses to insects and diseases are twice as great as those caused by forest fires.

To the layman this seems unbelievable. Certainly hereabouts no appreciable damage by insects and diseases can be detected by the average careful observer. It may be that some things are present that are not apparent to the naked eye. But it is difficult to imagine that in the flourishing woods of our countryside there are forces at work more destructive than a raging forest fire which kills young trees up to considerable size.

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From Seattle (Wash.) May 18 -

OF SPECIAL SIGNIFICANCE - Editorial - Good news from time to time comes from Washington State College indicating progress in a program to save precious Eastern Washington soil from erosion. Latest report is of completion of a 25-year program to determine best methods of keeping nitrogen in the ground to conserve the topsoil and maintain yield.

The fertile acres of the Palouse country and other areas in that section of the state are among the world's most prolific producers of wheat. Their deterioration would be a serious blow to Washington agriculture. No conservation program, therefore, is of greater significance to the state's economy than the encouragement of effective scientific methods to combat erosion.

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DAILY FARM NEWS DIGEST
(For May 15, 1947)

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 15 -

U.S. RUSHING GRAINS TO GERMANY TO END ALLIED ZONE CRISIS; 1,200,000 TONS OF FOOD TO BE SPEEDED BY JULY 31, WAR SECRETARY DISCLOSES-Washington-AP- Alarmed by spreading unrest and food strikes in western Germany, the War Department tonight announced emergency measures to rush more than 1,200,000 tons of food into the American and British occupation zones by July 31 to meet the crisis.

Secretary of War Robert P. Patterson said that regularly scheduled food shipments to Germany were being speeded up and increased to the maximum extent possible to cope with the situation, and that the German food ration would be met from now on.

(An authoritative dispatch received Wednesday from Berlin, however, indicated that the normal ration for German civilians in the United States and British zones would be cut from the present 1,550 calories daily to about 1,200. The reduced ration was expected to go into effect May 25.)

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HOUSE GROUP FAVORS CUT IN CROP INSURING-Washington-The House Agriculture Committee decided today that Federal crop insurance should be cut down to an experimental basis in 1948 in an effort to devise a program both financially and attractive to farmers.

A bill which it approved and sent to the House would not affect insurance which the Government already has written on 1947 crops. Representative William S. Hill, Republican, of Colorado, is author of the measure.

Mr. Hill said he hoped the experiments would demonstrate that such insurance was a sound risk and that private insurance later would take over the program. His companies to underwrite part of the program with Government reinsurance to guard the companies against excessive loss.

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HOOVER LAYS CRISIS IN PART TO GERMANS-Herbert Hoover said yesterday that the food crisis in Germany was "very bad" and placed the chief blame on bad weather, undue feeding of livestock, and black marketing. He expressed the belief that the food deficit would be remedied "in a very few weeks" by food shipments from this country.

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FRENCH PRESIDENT PLEADS FOR WHEAT: APPEALS TO PEASANTS TO DISGORGE HOARDED CROPS-Paris-President Vincent Auriol appealed to the peasants by radio tonight to surrender now the wheat they hold for higher prices and thus help the Government to restrict food prices and wages and check inflation. Premier Paul Ramadier will make a similar appeal tomorrow.

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From New York Times, May 15 -

FOOD PRICE PARLEY TO BE HELD MONDAY: FRUIT AND VEGETABLE RETAILERS TO MEET WITH OFFICIALS OF AGRICULTURE DEPARTMENT-New York's fruit and vegetable retailers, who had complained to President Truman that wholesale prices were exorbitant, were assured yesterday of a conference with Department of Agriculture officials on the price problem.

The conference is being arranged by John R. Steelman, assistant to the President, and will be held in Washington, probably Monday morning.

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From N.Y. Journal of Commerce, May 15-

WHEAT ROCKETS ON NEW US BUYING-Fireworks again featured the wheat futures market yesterday. Resumption of Government cash wheat purchases in the Northwest, at the insistence of the Army that more wheat must be shipped to Germany now, touched off a new buying wave that carried old crop wheat deliveries up 10c per bushel, or the permissible limit for a day.

The renewed upsurge again drew attention to the highly vulnerable position of the wheat market between now and the start of the 1947 harvest.

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SUGAR DEMAND-Demand for refined sugar still is slow. The Government's plan to make more ration currency available on June 1 is not regarded generally as a solution to the immediate problem of moving surpluses.

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U.S. WOOL DUTY PLAN WORRIES AUSTRALIA-Melbourne-John Dedman, Australian post war reconstruction minister, said the proposed United States legislation for a higher duty on wool led to difficulties at Geneva, but it was much too early to say the negotiations were on the point of breaking down.

Prime Minister Joseph B. Chifley said that although Australia is continuing to make the international trade talks a success, the situation has grown serious. He added that Mr. Dedman may be sent to Geneva if negotiations break down.

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From Wall Street Journal, May 15 -

PRICE DILEMMA: Manufacturers can't match the public's economy mood. Packard marks up its autos. But department stores slash prices. Filene's in Boston, for example, brings in 75 extra clerks for a 50% markdown sale of women's coats and suits. Still, stores say most manufacturers refuse to chop prices on reorders; some report they're even paying more than before for a few hard goods. The manufacturers offer Packard's explanation: Rising costs, particularly for labor. But the stores say: If manufacturers won't share the price cuts, we can't continue to give them.

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From Des Moines (Iowa) Register, May 9 -

WOULDS BOOST FERTILIZER USE - Washington, D. C. - A broad federal program for expanding the use of fertilizers by farmers and making more phosphates available at lower prices Thursday was proposed in a bill introduced in the senate.

Senators Burke B. Hickenlooper (Rep., Ia.) and Kenneth S. Wherry (Rep., Neb.) are the chief sponsors of the measure.

It has the backing of the American Farm Bureau federation and has been endorsed by both the Iowa and Nebraska Farm Bureaus.

The program contemplates fertilizer demonstration areas in each state to be operated by the state extensions services and land grant colleges. These demonstrations would be financed with federal and state funds.

The work would be carried on in addition to and in conjunction with other soil conservation activities.

Another phase of the program contemplates federal aid in the development of plants for the manufacture of fertilizers.

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From Newark (N. J.) News, May 9 -

SUGAR FRAUD CASE CONVICTION UPHOLD - Philadelphia - The Third United States Circuit Court of Appeals yesterday upheld the Federal Court conviction in Newark of Robert Sealfon of Neconset, L. I., for helping a Rutherford food company to obtain illegally 25,000,000 pounds of sugar from a Rutherford ration board. Sealfon was convicted in March, 1946.

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From Memphis (Tenn.) Commercial Appeal - May 8 -

1948 CROP INSURANCE MAY BE EXPERIMENT - Washington - The 1948 crop insurance program would be confined to only 50 counties and on a purely experimental basis for cotton, corn and wheat, under recommendations being considered by a special crop insurance subcommittee of the House Agriculture Committee.

The bill, which would limit the crop insurance program for tobacco and flax to only 25 experimental counties, is expected to be presented to the full committee within the next few days.

The subcommittee was appointed to study the crop insurance program after the Department of Agriculture reported it had suffered a loss of more than \$40,000,000 on its cotton insurance program for 1946, due principally to heavy losses in West Texas. There has been considerable agitation for dropping the crop insurance program entirely and this plan is regarded as a compromise measure which its sponsors hope will prove the need for crop insurance.

Under terms of the proposed bill the counties in which the crop insurance will be in effect will be selected by the Department of Agriculture and will be widely scattered over the farm belt.

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From Chicago Defender, May 10 -

BOTH RACES PUSH U. S. AID FOR DIXIE FARMS - Washington - Southern Congressmen enjoy the positive support of many Southern Negro leaders in the current Congressional fight against slashing appropriations for the federal agricultural program.

Holding that the welfare of Negro farmers is interlocked with that of white farmers, a number of Southern Negro leaders share the sentiments of Bishop J. H. Clayborn, president of the Fraternal Council of Negro Churches in America, who appealed last week to President Truman to continue cotton crop insurance.

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From Asheville (N.C.) Citizen, May 2 -

MR. ANDERSON AND THE HORSE - Editorial - The trouble with farming, as some sage once remarked, is that its methods are only a series of "inherited motions." But obsolete agriculture is not the whole trouble. The worst trouble with farming is that, too much of the time, it does not pay.

If the problem is economic, where best is it to be attacked? We think that the new solution offered by Secretary of Agriculture Anderson is at least worthy of discussion. He proposes a future program of "organized, sustained and realistic abundance" rather than crop limitation, with "floors under consumption" as well as under farm prices.

This, you may say, is a proposed retreat from the farm policies of the New Deal. To an extent, that estimate is correct.

Secretary Anderson would revise, and even reverse this policy. Perhaps at long last he has put the horse before the cart. Explaining this program to a House committee last week, Mr. Anderson pointed to the necessity of "maintaining stability of prices at levels fair to both producers and consumer. Anything less leads to waste and to general economic conditions which penalize abundance." In short, the government contemplates (after 1948) a program which guarantees a level of consumption rather than one which assures a certain level of production.

Such a program, we hope, will never be necessary except in dire economic emergency. It is then, however, that abundance should be the key to farm recovery rather than scarcity. A permanent, workable farm program may be unattainable, but at least the proposed new remedy makes more sense than paying the farmer for not producing something that someone really needs.

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From Lancaster (Pa.) Intelligencer Journal, May 6 -

THE 1947 WHEAT CROP - Editorial - Chicago grain circles predict the 1947 wheat crop will be sufficient for the export trade after all domestic needs are satisfied and enough will be left for a substantial carry-over at the end of the season.

Conflicting reports from abroad as to prospective production has given rise to opinions in the trade that crop damage in Europe is being exaggerated purposely in the hope of influencing sentiment in this country to provide further relief.

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From New York Times, May 22 -

ANDRESEN TELLS HOUSE WE BURN POTATOES, BUY ABROAD-Washington-Representative August H. Andresen, Republican, of Minnesota, accused the Department of Agriculture today of "wanton destruction of potatoes" while potatoes were being imported from Canada at high prices.

"While Department of Agriculture agents pour kerosene on huge piles of new potatoes in Alabama, North Carolina, Virginia and other Southern States," Mr. Andresen told the House, "potatoes come in from Canada to supply those markets, and at higher prices for consumers already staggering under the cost of living."

Mr. Andresen said he had in his possession bills of lading showing that potatoes "are being imported for sale in the very territory where farmers are being paid not to harvest their crops."

Since July, 1946, the Government had bought 87,000,000 bushels of potatoes at a net cost of \$80,000,000 to carry out the price support program, he said, and "of this gigantic purchase, 22,000,000 bushels were destroyed."

ANDERSON SAYS SUGAR MAY BE NORMAL BY '48-Chicago-Clinton P. Anderson, Secretary of Agriculture, said today that the country's sugar situation "should be normal by 1948 if it continues to improve as much as it has during the last few months."

At a press conference, Mr. Anderson said the total national supply of sugar for 1947 was estimated at 6,902,000 tons, compared with an estimated world supply of 30,600,000 tons.

As of April 30, 1947, "we are in a greatly improved position as far as stocks on hand are concerned. They are substantially above the 1946 stock," the Secretary said.

RULES COMMITTEE CLEARS WOOL BILL: LEGISLATION MAY COME UP FOR 3 HOURS FLOOR DEBATE AND POSSIBLE VOTE TODAY-Washington-The controversial wool bill got clearance from the House Rules Committee today and may come up for three hours' floor debate and a possible vote today.

The Rules group acted after hearing Representative Hope, Republican, of Kansas, chairman of the House Agricultural Committee, outline a modified version of the legislation.

Mr. Hope said the bill as now drafted would give the President, rather than the Secretary of Agriculture the right to impose import fees if foreign wools interfered with domestic wool prices.

From New York Times, May 22 -

U.S. IMPLEMENTS GERMAN FOOD PLAN: ORDERS STATE MILITARY REGIMES TO ENFORCE ORDERS ISSUED BY-ZONAL AGENCY-Berlin-The big stick in the food crisis behind the soft spoken appeals directed to Germans by the Military Government was disclosed in four directives today.

These threw the Military Government's full power behind orders to the German bi-zonal executive committee. Identical directives were to be issued by the British.

In essence the directives ordered individual Military Governors to assume the responsibility for informing and observing the action of the Ministers President on food quotas for delivery in the next ration period. They warned that if a state did not deliver its quota of any item an equivalent amount of it would be withheld from distribution there the next month.

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CONGRESS PASSES FOREIGN HELP BILL: \$350,000,000 MEASURE TO AID WAR-TORN COUNTRIES SENT TO PRESIDENT'S DESK-Washington-Congress sent to the White House today an authorization for \$350,000,000 of American aid to combat hunger and sickness in liberated but war-devastated countries.

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From Wall Street Journal, May 22 -

BREAD PRESERVER DEVELOPED-Kansas City-Bakeries soon will be producing a loaf of bread that will stay fresh and soft for at least seven days, members of the American Association of Cereal Chemists were told at a meeting here.

A paste solution known as polyoxethylene stearate has been found valuable as a crumb softener and in retarding the staling process.

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GOOD PRICES FOR U.S. GRAIN SEEN POSSIBLE UNTIL 1950 OR LONGER: BUT ANDERSON FEARS PRICE SUPPORT DIFFICULTIES NEXT YEAR ON EGGS, POULTRY, COTTON, TOBACCO-Washington-Secretary of Agriculture Anderson said world demand may continue sufficiently strong to assure American farmers favorable prices for food grains until 1950, if not longer.

By favorable prices, he means quotations above the level at which the government is required by law to support most farm products. The support level is not less than 90% of parity.

It is possible Mr. Anderson said, that corn likewise may enjoy good markets and prices above support levels for the same length of time.

But he foresees possible price difficulties involving government support operations, for eggs, poultry, tobacco and cotton in 1948.

Given good crops this year, he said the general level of farm prices is expected to decline 20% to 25% at most. Such a drop still would leave the level above the government support figure.

These long range price forecasts were given by the Secretary in testimony before a House Appropriations Subcommittee which considered administration requests for funds for the Agriculture Department for the coming fiscal year. The testimony was released yesterday.

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From Tucson (Ariz.) Star, May 12 -

CATTLE DISEASE FIGHT MAY COST U. S. \$100,000,000; EXPENSIVE 2-YEAR BATTLE FORSEEN BY EXPERT IN WASHINGTON - Washington - Stamping out the foot and mouth disease in Mexican cattle may cost the United States \$100,000,000, members of the 80th Congress state. It may take several years of work to be sure the American livestock industry, valued last year alone at \$11,000,000,000, is protected. It may require the building of an international fence from the Gulf of Mexico to the Pacific.

Dr. S. O. Fladness was sought to check these statements by members of Congress. He is assistant chief of the bureau of animal industry in the USDA. The chief, Dr. B. T. Sinms, is now in Mexico, where experts of both nations are at work on the control program, for which the U. S. has put up \$9,000,000 and Mexico a like sum so far.

Dr. Fladness said the estimated total cost is not an exaggeration. "It will take a couple of years to control the disease in Mexico and the costs may run around \$45,000,000 a year," he said. "Even with complete success in Mexico, we shall have to use eternal vigilance for several years thereafter to protect the American livestock industry."

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From Philadelphia (Pa.) Inquirer, May 19 -

GET THE FACTS ON FUTURE FOREIGN RELIEF - Editorial - Taxpayers of the United States have a right to know, so far as the information can be obtained by their Government, what foreign relief needs they will be called upon to meet in the next year or two.

No nation, not even rich America, can go on indefinitely paying out hundreds of millions of dollars for relief on an "emergency" basis without perilously weakening its own economy.

That is why Secretary of State Marshall's new policy planning staff, soon to be assigned the task of examining world economic conditions, should get down to cases in its inquiry and come up with the grim facts, all of them.

Senator Vandenberg says he expects no new relief requests at this session of Congress. We hope it turns out that way. But what, precisely, is the prospect? We don't think Senator Vandenberg knows. We don't think anybody knows. But it's time we tried to find out.

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From Des Moines (Iowa) Tribune, May 14 -

AAA FUNDS AND OTHERS - Editorial - Congress is taking the view, with good reason, that government spending should be reduced to a minimum in this period of inflation.

Here in Iowa we are as much interested in Department of Agriculture appropriations as any, so what happens to these appropriations in the next few weeks will be worth watching.

President Truman himself recommends some reductions for AAA payments. He pointed out that soil conservation funds are less urgent in a time when American farmers are in an unusually strong financial position.

He also noted that 60 per cent of these conservation payments go to about one-eighth of the farmers anyway.

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From Chicago News, May 13 -

FIXED FARM PRICES CALLED KEY TO WORLD FOOD CRISIS - The Hague, Netherlands - The second conference of the International Federation of Agricultural Producers, organized last year in London, was opened here today with a significant address by Sicco L. Mansholt, Dutch minister of Agriculture.

Internationally fixed prices for farm products, Mansholt told his fellow conferencees, are the only solution for overcoming the world food shortage.

Only when prices are controlled "will the farmer do his utmost to raise production to the highest possible level without fear that it will be a drag in the market," he declared.

This is the core of the production problem which these farm delegates assembled here from 33 countries throughout the world are here to solve in their current two-week meeting.

James Turner, head of the British Farmers Union, who has served as provisional president of I.F.A.P., during its first year of existence, put the situation succinctly:

"The world is underfed. Land is not producing to capacity. If these two plain facts cannot produce international agreement, how can we ever hope to survive the more complex problems of international existence?"

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From Greenville, (S.C.) News, May 16 -

WHEAT FOR WORLD'S HUNGRY - Editorial - The tremendous wheat crop which the country is producing this year will enable us to make record-breaking exports of the grain to foreign countries where food is acutely short, and without depriving ourselves of a fully adequate supply.

In fact it now appears that by thus helping to meet the needs of hungry people elsewhere we shall mitigate the problem of unmanageable grain surpluses in this country which would have adverse effects in the farm belt as well as costing the government large sums in price-support expenditures.

With the prospect of a wheat crop of 1.3 billion bushels, Secretary Anderson is pictured in Washington dispatches as thinking of total grain exports topping 500 million bushels, of which a minimum of 400 million, including flour, would be wheat. And it is being said that such huge exports will be essential if the United States is to escape being smothered under a wheat surplus, since the outlook is that we shall produce twice as much this season as the nation can consume at home. And Department authorities are said to be still worried as to whether it will be physically possible to export enough wheat to keep prices above the government "support" level.

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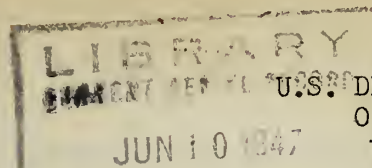
From Hutchinson (Kan.) News-Herald, May 13 -

FARM FUTURE - Editorial - From Morton County comes a fantastic story of farm inflation. An 80-acre farm that would have sold for \$12.50 an acre before the war now brings \$125 per acre. This price is the climax of a series of Kansas farm sales that have soared even above the price of farm products.

Such inflation illustrates one more tragedy of the war. The young man who is not to the manor born has less chance of entering a successful farm career today than he has in almost any other field to his liking.

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From New York Times, April 9 -

SENATE SENDS BILL BACK TO HOUSE FOR ACCORD ON CHANGES-VOTES FARM LABOR AID-
Washington-A bill to continue the Federal farm labor supply program through 1947 was approved by the Senate by a voice vote today. The measure, which authorizes the Government to supply farm hands from Mexico, Jamaica and other places as well as domestic regions, now goes back to the House for consideration of changes made by the Senate.

The program of worker aid to American farmers will expire on June 30 unless renewed.

Just before final passage, Senators shouted down a proposal by Senator James P. Kem, Republican, of Missouri, to spread the cost of the program to the Government among farmers who employ the imported foreign workers. The cost for the last six months of this year is estimated at \$10,000,000.

The Senate bill provides a thirty day period beyond Dec. 31 for liquidating the program. The House measure does not provide this.

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FAT SALVAGE HERE UP BY 164% IN 7 MONTHS-Household fat salvage has increased since last October by 164 percent, the American Fat Salvage Committee reported yesterday. The increase was attributed to more plentiful supplies of meat and greater conservation by housewives because of higher prices paid now for used fats and kitchen greases. The salvage price, formerly 4 cents a pound, has gone up to 16 cents in some butcher shops.

Despite the increased collection, the committee said, the domestic supply of industrial fats and oils is still far below the need. A Government estimate sets the shortage for the first six months of this year at 150,000,000 pounds, compared with a year ago.

A national survey, according to the committee, indicated that 87 percent of the women who turn in salvaged fats were saving frying pan grease, 61 percent were also salvaging roast drippings and 48 percent broiler drippings, but only 32 percent saved meat trimmings, 12 percent skimmed fat from soups, and only 7 percent rendered down the scraps from the dinner table.

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CARGO IS PILED UP BY LACK OF SHIPS-Low rate export cargo is piling up on the docks in increasing quantities because of lack of shipping space, it was reported yesterday. A number of complaints are being received from exporters who are unable to ship cement, flour and autos despite good market demand, Department of Commerce officials state.

The basic problem, traders stated, is that shippers are unwilling to take low cost and hard to handle freight when they are able to obtain without difficulty high rate cargoes.

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From New York Times, April 9 -

POTATO PEST CURB SIGNED BY DEWEY-Albany-The growing of potatoes or tomatoes in a 3,000-acre area centering around Hicksville, L.I., site of the only known golden nematode infestation in North America, can be barred by the State Department of Agriculture under a bill signed today by Governor Dewey.

If the Commissioner of Agriculture orders a farmer to cease growing potatoes or tomatoes, the Commissioner may make an agreement with him to compensate him for the loss of use of his land.

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From Wall Street Journal, April 9 -

COMMODITY MARKETS broke sharply on news that President Truman had summoned his Cabinet to a special "price conference." Wheat futures at Chicago declined $3 \frac{5}{8}$ to $4 \frac{5}{8}$ cents; corn was off $1 \frac{5}{8}$ to 4 cents; cotton showed losses ranging up to \$3.70 a bale. The Dow Jones futures index experienced its severest drop since last October 29. It closed at 131.54, off 2.20.

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MORE FREIGHT CARS NEEDED-Editorial-In yesterday's issue this newspaper's Chicago office reported a sharp increase during the preceding week in number of freight cars ordered and "inquiries" concerning terms and delivery schedules. This spurt of ordering follows the recent agreement between steel and car building companies on mutual efforts to step up this year's output of cars, if possible to the level of 10,000 a month.

In the same issue appeared a summary of a report from the Association of American Railroads, disclosing that in the first 13 weeks of 1947 freight car loadings had exceeded those of any like season since 1930.

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From N.Y. Journal of Commerce, April 9 -

GOVERNMENT ACTION ON PRICES-Editorial-The Administration is right in focussing public attention upon prices. But it is even more important that the people be informed correctly of why prices have gone up, and how a further rise can be avoided. Merely to broadcast statements that prices are too high and should come down, without showing why they have risen and stating explicitly what must be done to bring them down again, will confuse public thinking and could do far more harm than good.

Two factors are chiefly responsible for the price rise this year. These are shortages of farm commodities and the rising trend of wages. So long as these forces continue to operate, it is not going to be possible to halt the price rise except by restoring the whole cumbersome and distasteful machinery of OPA, and even then prices may be stabilized at the cost of curtailing production.

The marketing of new crops will automatically take care of the farm price problem. Until the harvests, every effort should be made to minimize the effect upon agricultural prices of Government buying for relief abroad. Other than that, the Government can do little.

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JUN 10 1947

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 16 -

TRUMAN STRESSES 'BOOM' PREVENTION: HE SAYS PUBLIC COMMON SENSE, KEEPING CONTROL FROM GREEDY WOULD AVOID ENSUING 'BUST'-Washington-Keeping the control of the country out of the hands of the greedy and the exercise of good common sense by the public are enough to prevent an economic cycle of "boom and bust," President Truman said today.

These views were stated in response to questions at his news conference. With a certain asperity, Mr. Truman said he had declared the same views for several weeks past. The immediate job, he said, was the prevention of a boom, but he had received little legislative or public cooperation in his efforts, he asserted.

Asserting that all prices were still too high, the President acknowledged as he has on several recent occasions, the efforts of some business men to lower their prices voluntarily, in the hope of forestaling a buyers' strike and consequent recession. He gave the impression, however, that he did not believe this movement had done more than scratch the surface of what he obviously believes to lie at the root of potential economic trouble.

ECONOMISTS URGE CURB ON DEFLATION-Washington-A nine point program for combating deflation and an economic "bust" by increasing purchasing power here and abroad was proposed today by a group of economists headed by Chester Bowles, former Price Administrator and Director of Economic Stabilization.

The "Committee for Economic Stability," sponsored by "Americans for Democratic Action" prescribed as chief remedies for a "difficult economic situation" an average 10 percent reduction in retail prices, wide adoption of the 15 cents an hour wage boost already granted by several major industrial producers, a minimum wage of 65 cents, and tax relief for the lower income brackets.

Copies of the 15,000 word program have been presented to President Truman and Senate. Robert A. Taft of Ohio and Representative Jesse P. Wolcott of Michigan, chairman and vice chairman, respectively of the joint Congressional committee on the economic report, Mr. Bowles said.

FOOD STORES DENY GUILT ON PRICES: A & P STATEMENT DECLARES THAT ONLY CUT IN COST TO RETAILER WILL BRING REDUCTIONS-There will be no substantial reduction in retail food prices until costs to the retailer are reduced, the Great Atlantic and Pacific Tea Company said yesterday in a statement that called for "sense" in food price discussions.

In a reference to recent price cutting in some lines, the statement said that the merchants generally, including the A&P stores, had reduced prices on many items on which they were overstocked. It added, however, that this was "common merchandising practice and has no relation to a general or permanent price reduction." The food chain's analysis of the price problem, documented with some of its own operating figures, was in line with recent assertions by independent fruit and vegetable retailers that farm, processor, and wholesale costs were holding up retail prices.

From New York Times, May 16 -

50 SHIPS TO SPEED GRAIN TO GERMANS: 392,000 TONS OF FOOD FROM U.S. WILL ARRIVE BY 31ST-Berlin-British officials said today that a fleet of almost fifty ships would be pressed into service from now until the end of the month to speed 392,000 tons of foodstuffs from America to Germany's hungry millions.

They said the ships would pour wheat, barley, flour, oats and corn into German ports to help relieve the food crisis in the British and American zones.

Many German official and private organizations were reported sponsoring excursions of city people to the country to search for wild herbs and roots with nutritional value, but Col. Hugh B. Hester, chief of the American Military Government's food and agricultural division, said "No one is starving."

"They are getting less food than we wish they had," he added, "but they are going to be hungry this year and next. There isn't enough food in the world to feed them. Even if we had the money to spend we couldn't get it."

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From N.Y. Journal of Commerce, May 16 -

PEAK EXPORT TRADE FACES EXCHANGE FLUX ABROAD: REVERSAL IN TREND LOOMS-The steady climb in commercial exports since the fall of 1945 may soon be reversed. Best information is that commercial exports are still moving at record levels--(four times the volume of such shipments in the early fall of 1945). But an early decline appears inevitable because of the wide gap between American export and imports which is resulting in an unexpectedly heavy drain on the dollar supplies available to other countries.

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From Wall Street Journal, May 16 -

COTTON TRADING with occupied countries heads back into private hands. A new \$20 million "cotton bank" will finance fibre exports to German and Japanese mills. The Export-Import Bank will put up \$19 million of capital, cotton traders \$1 million. The fund will be repaid by sales of textiles made from the cotton.

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GRAIN SHIPMENTS will strain freight car facilities again. Peak wheat and sugar movements will coincide. While old freight cars retire at 5,000 monthly, fewer new ones hit the rails. And of April's 4,100 new box cars, only 749 were grain carriers.

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FREIGHT RATES-The I.C.C. estimates that class rate changes will raise eastern freight revenue little more than one half of 1% and cut returns for southern and western roads a little less than 1%, based on 1942 figures.

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From Grand Rapids (Mich.) Press, May 13 -

TAX CIGARETS IN 36 STATES; ARKANSAS' 6-CENT LEVY TOPS IN NATION - Lansing - Whatever the legislature does, and it's an almost certain bet it will vote a cigaret tax of either 2 or 3 cents a package, Michigan will become the thirty-seventh state with such a revenue-raising measure.

Figures from the state department of revenue Tuesday showed 13 states are charging 2 cents and 16 states are adding 3 cents on the price of a package. Illinois, Indiana and Ohio have the 3-cent levy.

West Virginia has a 1-cent tax, three states charge 4 cents, two states 5 cents and Arkansas has 6-cent levy.

Nearly a year ago, when the cigaret tax was being advocated as a source of revenue for Michigan's bonus to World war II veterans, 31 states taxed cigarets. The five new states are: West Virginia, with 1 cent; Montana, Nevada and Oregon, each 2 cents and Indiana, 3 cents.

Idaho, Illinois, Kansas, New Mexico, Ohio, and Wisconsin have raised the state levy from 2 to 3 cents in a year. New York has a boost from 2 to 3 cents which is contingent upon the referendum on paying a veterans' bonus.

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From Kansas City Star, May 11 -

HITS CATTLE AID; KLEBERG, JR., CHARGES MISMANAGEMENT OF MEXICAN DISEASE CONTROL - Sensational charges against the procedure now alleged to be followed in the Mexican hoof and mouth disease eradication program were voiced last week by Robert J. Kleberg, Jr., president of the King ranch, Kingville, Texas.

The Kleberg complaint is based on the historical fact that the only successful method of eradication of the disease has been to slaughter the cattle and destroy the meat on the premises.

He indorses the action of Congress in quickly providing funds but asserts that the intent of Congress has been nullified by administrative agencies charged with carrying out its mandate.

"The present wet-up provided payment with funds from the United States Treasury for all cattle in the infected areas of Mexico so long as the disease is prevalent across the border," the report said. "Instead of slaughtering the cattle and burying their carcasses in quicklime on the premises, as has been done in every outbreak in the United States, the cattle are paid for by the United States government and a major part then is given to the Mexican government and transported to slaughter houses.

"The meat then is sold in the regular way and the proceeds kept by the Mexican government supposedly 'to be used in the joint campaign.'

"The main reason why Congress decided that the United States should aid Mexico in the eradication of the foot and mouth disease was to prevent its spread to the United States. It did not intend to provide a source of revenue to the Mexican government. But, if its spread to this country is to be prevented, it must be through an effective program of eradication and not through one that will permit it to become permanently established in that country."

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From Morning Manchester, New Hampshire Union, May 14 -

BANG'S DISEASE STATUS CHANGED IN SPOLLETT BILL - Concord - Sen. Doris M. Spollett of Hampstead today filed a new bill in the Senate which would allow owners of cattle which react to Bang's disease tests to retain such cattle for a period of five years, providing that the entire herd is placed under quarantine.

Under the present statute on Bang's disease control, owners are required to have such cattle killed. Many cattle owners have argued that it is possible for such cattle to recover from the disease. The Spollett measure is a result of this trend of thought.

From St. Paul (Minn.) Pioneer Press, May 13 -

NOT A 'FAVORABLE' SIGN - Editorial - A prominent sales executive analyzes the reports of 10 leading economists to arrive at 14 points of agreement which he reads as pointing to a continued high rate of business. They include high and well distributed national income and purchasing power; full employment; an increase of 15 million between 1940 and 1950 in the number of American families, and other factors which obviously belong in such a list. However, there is one "stranger."

It is listed as follows: "Exports today are five times prewar totals." That is not a factor making for indefinite continuance of the present rate of business, but quite the contrary. It was appraised the other day by President Carroll M. Shanks of the Prudential Insurance company as "a gigantic threat to both employment and general prosperity (which) takes us back to the late 1920's."

Foreign trade figures for March, released last Saturday, indicate the proportions this "threat" has attained. Only in May of 1944, when the fighting was at its peak in both war theaters, has a monthly export total exceeded that of March -- and in the former month 82 per cent of all shipments were lend-lease goods. Meantime, March imports were only about one-third of the export total, having declined almost 20 per cent below the imports for December. Mr. Shanks forecast an "import deficit" of 6 to 8 billions for 1947, and the March figures indicate that this estimate will be exceeded.

"The only answer to the threat," according to Mr. Shanks, "lies in a willingness to import enough to balance what we export." Just now, we are traveling pretty fast in the opposite direction.

From Springfield Illinois State Journal, May 6 -

WAR OVER COTTON - Editorial - Democratic senators from the South are up in arms. They have declared war--believe it or not, against the army.

The battle has come over the recently concocted plan of the army to purchase 1,200,000 bales of cotton from Brazil. The Army wants it for processing in Japan and Germany. Brazilian cotton is preferred because it is cheaper. That being true, textiles that may accrue can be disposed of at a profit.

The solons from the South, most of whom have helped make administration policies what they are, declare that none but cotton grown in their own domain should be bought.

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DAILY FARM NEWS DIGEST
(For May 15, 1947)

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JUN 10 1947

DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 15 -

U.S. RUSHING GRAINS TO GERMANY TO END ALLIED ZONE CRISIS; 1,200,000 TONS OF FOOD TO BE SPEEDED BY JULY 31; WAR SECRETARY DISCLOSES-Washington-AP-
Alarmed by spreading unrest and food strikes in western Germany, the War Department tonight announced emergency measures to rush more than 1,200,000 tons of food into the American and British occupation zones by July 31 to meet the crisis.

Secretary of War Robert P. Patterson said that regularly scheduled food shipments to Germany were being speeded up and increased to the maximum extent possible to cope with the situation, and that the German food ration would be met from now on.

(An authoritative dispatch received Wednesday from Berlin, however, indicated that the normal ration for German civilians in the United States and British zones would be cut from the present 1,550 calories daily to about 1,200. The reduced ration was expected to go into effect May 25.)

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HOUSE GROUP FAVORS CUT IN CROP INSURING-Washington-The House Agriculture Committee decided today that Federal crop insurance should be cut down to an experimental basis in 1948 in an effort to devise a program both financially and attractive to farmers.

A bill which it approved and sent to the House would not affect insurance which the Government already has written on 1947 crops. Representative William S. Hill, Republican, of Colorado, is author of the measure.

Mr. Hill said he hoped the experiments would demonstrate that such insurance was a sound risk and that private insurance later would take over the program. His companies to underwrite part of the program with Government reinsurance to guard the companies against excessive loss.

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HOOVER LAYS CRISIS IN PART TO GERMANS-Herbert Hoover said yesterday that the food crisis in Germany was "very bad" and placed the chief blame on bad weather, undue feeding of livestock, and black marketing. He expressed the belief that the food deficit would be remedied "in a very few weeks" by food shipments from this country.

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FRENCH PRESIDENT PLEADS FOR WHEAT: APPEALS TO PEASANTS TO DISGORGE
HOARDED CROPS-Paris-President Vincent Auriol appealed to the peasants by radio tonight to surrender now the wheat they hold for higher prices and thus help the Government to restrict food prices and wages and check inflation. Premier Paul Ramadier will make a similar appeal tomorrow.

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From New York Times, May 15 -

FOOD PRICE PARLEY TO BE HELD MONDAY: FRUIT AND VEGETABLE RETAILERS TO MEET WITH OFFICIALS OF AGRICULTURE DEPARTMENT-New York's fruit and vegetable retailers, who had complained to President Truman that wholesale prices were exorbitant, were assured yesterday of a conference with Department of Agriculture officials on the price problem.

The conference is being arranged by John R. Steelman, assistant to the President, and will be held in Washington, probably Monday morning.

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From N.Y. Journal of Commerce, May 15-

WHEAT ROCKETS ON NEW US BUYING-Fireworks again featured the wheat futures market yesterday. Resumption of Government cash wheat purchases in the Northwest, at the insistence of the Army that more wheat must be shipped to Germany now, touched off a new buying wave that carried old crop wheat deliveries up 10c per bushel, or the permissible limit for a day.

The renewed upsurge again drew attention to the highly vulnerable position of the wheat market between now and the start of the 1947 harvest.

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SUGAR DEMAND-Demand for refined sugar still is slow. The Government's plan to make more ration currency available on June 1 is not regarded generally as a solution to the immediate problem of moving surpluses.

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U.S. WOOL DUTY PLAN WORRIES AUSTRALIA-Melbourne-John Dedman, Australian post war reconstruction minister, said the proposed United States legislation for a higher duty on wool led to difficulties at Geneva, but it was much too early to say the negotiations were on the point of breaking down.

Prime Minister Joseph B. Chifley said that although Australia is continuing to make the international trade talks a success, the situation has grown serious. He added that Mr. Dedman may be sent to Geneva if negotiations break down.

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From Wall Street Journal, May 15 -

PRICE DILEMMA: Manufacturers can't match the public's economy mood. Packard marks up its autos. But department stores slash prices. Filene's in Boston, for example, brings in 75 extra clerks for a 50% markdown sale of women's coats and suits. Still, stores say most manufacturers refuse to chop prices on reorders; some report they're even paying more than before for a few hard goods. The manufacturers offer Packard's explanation: Rising costs, particularly for labor. But the stores say: If manufacturers won't share the price cuts, we can't continue to give them.

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From Des Moines (Iowa) Register, May 9 -

WOULDS BOOST FERTILIZER USE - Washington, D. C. - A broad federal program for expanding the use of fertilizers by farmers and making more phosphates available at lower prices Thursday was proposed in a bill introduced in the senate.

Senators Burke B. Hickenlooper (Rep., Ia.) and Kenneth S. Wherry (Rep., Neb.) are the chief sponsors of the measure.

It has the backing of the American Farm Bureau federation and has been endorsed by both the Iowa and Nebraska Farm Bureaus.

The program contemplates fertilizer demonstration areas in each state to be operated by the state extensions services and land grant colleges. These demonstrations would be financed with federal and state funds.

The work would be carried on in addition to and in conjunction with other soil conservation activities.

Another phase of the program contemplates federal aid in the development of plants for the manufacture of fertilizers.

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From Newark (N. J.) News, May 9 -

SUGAR FRAUD CASE CONVICTION UPHELD - Philadelphia - The Third United States Circuit Court of Appeals yesterday upheld the Federal Court conviction in Newark of Robert Sealton of Neconsot, L. I., for helping a Rutherford food company to obtain illegally 25,000,000 pounds of sugar from a Rutherford ration board. Sealton was convicted in March, 1946.

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From Memphis (Tenn.) Commercial Appeal - May 8 -

1948 CROP INSURANCE MAY BE EXPERIMENT - Washington - The 1948 crop insurance program would be confined to only 50 counties and on a purely experimental basis for cotton, corn and wheat, under recommendations being considered by a special crop insurance subcommittee of the House Agriculture Committee.

The bill, which would limit the crop insurance program for tobacco and flax to only 25 experimental counties, is expected to be presented to the full committee within the next few days.

The subcommittee was appointed to study the crop insurance program after the Department of Agriculture reported it had suffered a loss of more than \$40,000,000 on its cotton insurance program for 1946, due principally to heavy losses in West Texas. There has been considerable agitation for dropping the crop insurance program entirely and this plan is regarded as a compromise measure which its sponsors hope will prove the need for crop insurance.

Under terms of the proposed bill the counties in which the crop insurance will be in effect will be selected by the Department of Agriculture and will be widely scattered over the farm belt.

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From Chicago Defender, May 10 -

BOTH RACES PUSH U. S. AID FOR DIXIE FARMS - Washington - Southern Congressmen enjoy the positive support of many Southern Negro leaders in the current Congressional fight against slashing appropriations for the federal agricultural program.

Holding that the welfare of Negro farmers is interlocked with that of white farmers, a number of Southern Negro leaders share the sentiments of Bishop J. E. Clayborn, president of the Fraternal Council of Negro Churches in America, who appealed last week to President Truman to continue cotton crop insurance.

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From Asheville (N.C.) Citizen, May 2 -

MR. ANDERSON AND THE HORSE - Editorial - The trouble with farming, as some sage once remarked, is that its methods are only a series of "inherited motions." But obsolete agriculture is not the whole trouble. The worst trouble with farming is that, too much of the time, it does not pay.

If the problem is economic, where best is it to be attacked? We think that the new solution offered by Secretary of Agriculture Anderson is at least worthy of discussion. He proposes a future program of "organized, sustained and realistic abundance" rather than crop limitation, with "floors under consumption" as well as under farm prices.

This, you may say, is a proposed retreat from the farm policies of the New Deal. To an extent, that estimate is correct.

Secretary Anderson would revise, and even reverse this policy. Perhaps at long last he has put the horse before the cart. Explaining this program to a House committee last week, Mr. Anderson pointed to the necessity of "maintaining stability of prices at levels fair to both producers and consumer. Anything less leads to waste and to general economic conditions which penalize abundance." In short, the government contemplates (after 1948) a program which guarantees a level of consumption rather than one which assures a certain level of production.

Such a program, we hope, will never be necessary except in dire economic emergency. It is then, however, that abundance should be the key to farm recovery rather than scarcity. A permanent, workable farm program may be unattainable, but at least the proposed new remedy makes more sense than paying the farmer for not producing something that someone really needs.

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From Lancaster (Pa.) Intelligencer Journal, May 6 -

THE 1947 WHEAT CROP - Editorial - Chicago grain circles predict the 1947 wheat crop will be sufficient for the export trade after all domestic needs are satisfied and enough will be left for a substantial carry-over at the end of the season.

Conflicting reports from abroad as to prospective production has given rise to opinions in the trade that crop damage in Europe is being exaggerated purposely in the hope of influencing sentiment in this country to provide further relief.

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DAILY FARM NEWS DIGEST
(For May 28, 1947)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 28 -

RECURRING FAMINE IS FEARED IN CHINA-Nanking-Starvation is creeping again into the famine corridor of southern Hunan and northern Kwangsi, where last year tens of thousands died of hunger.

Reports reaching here from foreigners connected with relief work in Hengyang say that deaths are already occurring. It is declared that this is happening while thousands of tons of food from the United Nations Relief and Rehabilitation Administration is being sold on the streets of Hunan cities and while warehouses hold large stocks of UNRRA rice, flour, canned goods, milk, soup powder and other provisions.

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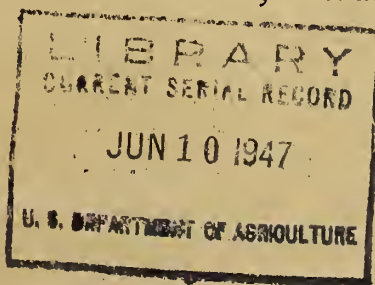
GERMAN FOOD HIGH, RUSSIANS DECLARE: CLAIM THEY MEET RATIONS IN THEIR ZONE BETTER THAN IN WEST--ADMIT DELAY-Berlin--An official report of the Russian military administration asserted today that "rations in the Soviet zone are steady and the population receives all the food it is entitled to according to ration cards."

Claiming generally higher rations for Germans in their zone than in others, the Russian authorities nevertheless admitted delays in deliveries and cited the punishment of a German food supply chief as an example of the action taken against mismanagement by Germans. The Russians also officially disclosed difficulties in obtaining the potato ration and announced the substitution of dehydrated potatoes, and tinned or salt vegetables until the new harvest. The over all picture, however, according to the Russians, is good for their zone.

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U.S. LOSES PRESTIGE BY ACTION ON WOOL-Geneva-Most of the delegates to the trade conference here appear to agree that the United States has suffered a loss of prestige over the House of Representatives' vote on the wool tariff bill and that its bargaining position here has been weakened.

When the conference was resumed this morning it was clear that the Australians, New Zealanders and South Africans were solid on the wool issue. It seems clear that the United States cannot obtain the abolition of empire preferences unless it is prepared to make a tariff reduction offer acceptable to the Dominions, including those whose chief export is wool.



Farm Digest 1115-47

From New York Times, May 28 -

NEW ZEALAND MANUFACTURERS PROTEST-Auckland-W. J. Truscott, president of the New Zealand Manufacturers Federation, declared today that "unless Americans come off their high horse, there never will be a final satisfactory solution to world trade problems."

Commenting in an interview on the United States wool bill, Mr. Truscott said, "If carried, the wool bill will force us to adopt British Empire preference***Americans seem inclined to bar New Zealand butter and cheese and take hides only when it suits them. If wool now is banned, any possible chance for a reciprocal trade arrangement with Australia and New Zealand land will be killed."

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HOUSE VOTES 189-170 FOR FARM FUND CUT-Washington-Economy advocates won a major round today in their fight to cut \$383,427,742 from the budget of the Agriculture Department of \$1,188,000,000 for 1948. The House, by roll call count of 189 to 170, upheld its Appropriation Committee's procedure in writing into the farm supply bill legislative provision eliminating \$183,000,000 from the budget.

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From N.Y. Journal of Commerce, May 28 -

SUGAR DEADLINE EXPECTED TO HOLD: VALIDATION OF ANOTHER STAMP WILL MAKE SUPPLIES FOR HOUSEHOLDERS AMPLE-Government action taken in making available immediately a new stamp which was to become effective originally on June 1 and announcing that another stamp will be validated on Aug. 1 led many trade observers to believe that rationing controls are not likely to end before the scheduled deadline of Oct. 31.

Once the August stamp becomes available, most housewives will find that effective rationing is a thing of the past, since they will have supplies with another 10 pound stamp to cash.

Meanwhile, the pressure to move supplies from first hand sellers is over with the improved demand developed with the warmer weather.

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GILMER DEFENDS PRICE SUPPORT PLAN: CITES DIFFERENCES BETWEEN SUPPORT LEVEL AND MARKET PRICES-Price support programs have saved consumers much more than the programs cost because farmers have not had to worry much about prices and have therefore maintained record breaking farm production both during the war and in the past two years, declared Jesse B. Gilmer, administrator of the Production and Marketing Administration and president of the Commodity Credit Corp.

Mr. Gilmer spoke yesterday at a meeting of the New York City Food Advisory Committee. Mr. Gilmer emphasized the great demand for food, existing in this country, stressing that the price support levels for most commodities are much lower than the actual prices received by farmers today. As an example he cited the price of hogs, saying as of April 15, "the support level was \$15.50 a hundred lbs.; the price was \$24.30."

One of the biggest factors in the cost of food today is the high cost of distribution which results from the consumer's demand for "service," Mr. Gilmer stated.

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From Houston (Tex.) Chronicle, May 19 -

BOXCARS FOR TEXAS WHEAT CROP STORED - About 1750 boxcars have been stored in Texas by the Burlington Lines awaiting the harvest of Texas' largest wheat crop, estimated at 100,000,000 bushels, Ralph Budd of Chicago, president of the Burlington, said here Monday.

"This is about 75 per cent more cars than for former harvests," he said. "Put this is an unusually big one."

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From Greenville (S.C.) News, May 21 -

MORE POTATO TROUBLE - Editorial - The government is encountering difficulties in its potato price support program for the new crop and it appears probable that the dumping program this season will follow the pattern of last year.

Already some dumping has been resorted to and unless the markets can take more potatoes there may be even greater losses of this important food product than last year.

Raw potatoes are not easily shipped abroad. For that reason they have not been more extensively utilized to feed the hungry of other lands. But it is gratifying to note that the government has begun experiments in mass dehydration and canning of potatoes as a means of conserving surplus stocks. If these experiments turn out well, it should be possible to make potatoes more readily available for relief and sales abroad.

At the same time, however, the price support program should be modified in such manner as to make surplus potatoes available to domestic consumers at prices which would encourage consumption. If the government is going to lose money on potatoes, there is no good reason why consumers should not benefit from its transactions as well as the producers.

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From Mobile (Ala.) Register, May 19 -

PRESIDENT SHOULD ALSO BE CONCERNED OVER PROBLEM OF SURPLUS POTATOES - Editorial - President Truman says he is "deeply concerned" over the recent rise in farm land prices.

At his request, Secretary of Agriculture Anderson has called a conference for June 9 which the President hopes will bring "a specific program of methods of discouraging further inflation in farm real estate prices and unwise expansion of farm debts."

Department of Agriculture figures show an increase of 92 per cent in farm land prices over the 1935-39 level, of which 12 per cent occurred during the past year.

President Truman's concern may be quite justified. A wild boom and terrific crash in farm land prices could leave many American farmers in distress an experience which came to many after the first World War.

However, if the President is concerned about farm land prices, he should also be concerned about another farm problem -- the potato surplus. The dumping and destroying of a large quantity of potatoes -- an estimated fifty tons -- in Baldwin County the past week underscores the potato surplus problem.

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From St. Paul (Minn.) Pioneer Press, May 24 -

THREAT TO AGRICULTURE - Editorial - One part of the House Appropriations committee's bill cutting agricultural funds by about 400 million dollars stands out as a direct threat to the farmers of this country. That is true despite the real victory voted the rural electrification program with only a 10 per cent reduction, and the committee's skill and judgment in at least some of its choices as between applying meat ax or scalpel in making specific cuts.

The danger arises from the committee's vote to follow up a drastic slash this year with a complete knockout of all funds for the AAA county and community committee system and their soil conservation and use payments beginning on July 1, 1948.

This would mean ending the system for production controls and for implementing federal farm price supports. Thus it would in effect wipe out the federal farm price protection program entirely before there's real assurance of enacting any program to take its place. Indeed, this proposition is being coupled openly with demands by various publications, including the Minneapolis press, for ending formerly any price support program at all.

American farmers thus are in great danger of being led into the same punishing combination of huge surpluses and disastrous prices that hit them after the last war.

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From Columbia (S.C.) State, May 17 -

A STARTLING STATISTIC - Editorial - Among the proposals awaiting congressional approval is a bill, said to be influentially backed, to set up a co-operative program for control of forest insects and diseases, the cost to be shared by federal and state governments and private landowners.

That seems to be a reasonable and sound program, but the statistic which is difficult for the layman to believe is offered by the department of agriculture which declares the program would save money and has offered figures to prove that forest losses to insects and diseases are twice as great as those caused by forest fires.

To the layman this seems unbelievable. Certainly hereabouts no appreciable damage by insects and diseases can be detected by the average careful observer. It may be that some things are present that are not apparent to the naked eye. But it is difficult to imagine that in the flourishing woods of our countryside there are forces at work more destructive than a raging forest fire which kills young trees up to considerable size.

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From Seattle (Wash.) May 18 -

OF SPECIAL SIGNIFICANCE - Editorial - Good news from time to time comes from Washington State College indicating progress in a program to save precious Eastern Washington soil from erosion. Latest report is of completion of a 25-year program to determine best methods of keeping nitrogen in the ground to conserve the topsoil and maintain yield.

The fertile acres of the Palouse country and other areas in that section of the state are among the world's most prolific producers of wheat. Their deterioration would be a serious blow to Washington agriculture. No conservation program, therefore, is of greater significance to the state's economy than the encouragement of effective scientific methods to combat erosion.

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DAILY FARM NEWS DIGEST
(For May 29, 1947)

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JUN 10 1947

DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, May 29 -

FOOD COUNCIL PUTS PARLEY IN EUROPE: ERASES PREVIOUS PLAN AND SETS CONFERENCE IN THE REGION WHERE STEPS ARE NEEDED-Washington-The International Emergency Food Council today voted, 10 to 1, that the crisis in bread rations was such as to necessitate calling a special cereals conference in Europe before the third week in July.

The time limit set was to make possible a system of collection and management of new crops as they come in, so that they will not be dissipated, hoarded or black marketed, particularly in the occupied countries. The hope is to preclude another crisis next spring.

As part of the same resolution, the IEFC voted to ask its parent organization the Food and Agriculture Organization, to invite the responsible ministers of the member governments to such a conference.

Swept aside by this action was the resolution formulated by the drafting committee appointed at the Monday meeting of IEFC, which would have had the IEFC itself call the meeting in Washington.

The resolution, as voted, backed up the request made by Secretary of Agriculture Clinton P. Anderson in a formal letter, read Monday by Dr. Dennis A. FitzGerald, Director General of the FAO.

Informally and orally Mr. Anderson, as United States member of the council, told the members Monday he did not care whether the cereals conference was held in Europe or this country.

U.N. ASKS NATIONS TO PRODUCE DATA ON FOOD THEY CAN GIVE TO NEEDY-Lake Success-Secretary General Trygve Lie has asked members of the United Nations for statements of the relief supplies they are prepared to give to the war devastated countries.

In a brief questionnaire, made public here today, Mr. Lie requested each of the fifty five member Governments to specify the contributions it would make after the termination on June 30 of the United Nations Relief and Rehabilitation Administration.

U.S. SCANS STATE PRICE LAWS AS BARS TO LIVING COST CUT-Washington-The Government is undertaking a broadscale study of so called fair trade laws throughout the country in its latest effort to bring about a general lowering prices to consumers, it was learned today.

At least three Federal offices are cooperating in the project at the present time. They are: The Federal Trade Commission, which is canvassing businessmen to determine how consumer price levels in several industries are fixed, or "established or suggested" by manufacturers.

The President's Council of Economic Advisers, which is considering the whole problem of how state and local laws pertaining to price fixing and based on Federal legislation might be used as barriers to further reductions of prices. The Office of John R. Steelman, Asst. to the President, who is coordinating for President Truman the Government's consideration of fair trade regulations in their relation to prices.

Farm Digest 1125-47

From New York Times, May 29 -

ASKS FENCE ALONG BORDER: AGRICULTURE ADVISORY GROUP SEES WAY TO CUT DISEASE FROM MEXICO-Washington-An Agriculture Department advisory committee urged today that a fence be built along the Mexican United States border in an effort to keep the foot and mouth disease from spreading to livestock in the United States.

The committee, appointed recently by Secretary Clinton P. Anderson, said there was grave danger of the disease being brought into this country by unauthorized movement of livestock across the boundary.

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BUYER'S MARKET IN CANDY IS SEEN-Chicago-Confectionery manufacturers were informed today that a buyer's market was developing in some essential candy ingredients and that sugar allocations probably would be increased soon.

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From N.Y. Journal of Commerce, May 29 -

ASK CONTINUATION OF GRAIN CONTROLS-Washington-Continuation of export controls on grains and grain products until the end of this year, and possibly for three months after that time, was today asked by representatives of the grain trade.

Appearing before Senator John Cooper's subcommittee of the Senate Judiciary Committee, William C. Schilthuis, representing the North American Export Grain Association and W. B. Fox appearing for the National Grain Trade Council both supported this view but held that the Government should return to the private trade the business of supplying export wheat to foreign claimants.

Representing flour millers, as distinct from the foregoing grain associations, Martin Smith of the Flour Millers' Export Association testified in favor of the measure providing for extension of the Export Control Act. The only pending legislation would provide a one year extension of the act.

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SUGAR ALLOTMENTS-Third quarter sugar allotments for industrial users will be 75 percent of the base period and for the fourth period the same base will apply for one month to the end of rationing controls on Oct. 31. While no official announcement has been made, trade sources say that this report is official.

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CANNED FOOD REPORTS-Census Bureau issues first in its revised series of monthly canned food reports, revealing that April shipments of five major canned vegetable products were off half a million cases from March and sharply below a year ago. Stocks of 14 items have dropped 7 percent during the month.

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From Watertown (N.Y.) Daily Times, May 26 -

HIGH TARIFFS AND OUR NEW WORLD ROLE - Editorial - The house of representatives has dealt the Truman Doctrine a treacherous blow. At a time when we are spending billions in an effort to restore Europe's economy, the house has increased the tariff on wool as the first in a series of moves to build up new tariff barriers and prevent Europe from trading with us.

Washington correspondents say that it is extremely likely that the senate will accept the house amendment and the wool tariff will be increased unless President Truman vetoes the bill which is held to be entirely possible. What makes this action of congress particularly distressing is that it is construed as a major "policy-setting" move and indicates a general uptrend in tariff rates.

Europe cannot be rehabilitated simply by shipping food there and loaning money. That meets the immediate need but we cannot keep on doing that indefinitely. The long-time objective of this relief program is to restore Europe's productivity, both in agricultural products and in manufactured goods.

What good is the restoration of Europe's productive capacity if there are no markets for Europe's goods? We cannot keep on selling Europe \$16,000,000,000 worth of goods, as we did last year, and buying only \$8,000,000,000 worth of European exports unless we supply the money to make up the difference. Surely that is elemental.

What these economic isolationists in congress are trying to do is to provide money for the restoration of European economy, on the one hand, and then, through the imposition of high tariffs, prevent Europe selling anything here once that economy is restored.

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From Dallas (Texas.) News, May 22 -

HOLDING THE WOOL BAG - Editorial - Consumers and taxpayers have been holding the bag for America's wool producers, to enable them to make abnormal profits. Americans still pay wartime prices for wool clothing, and men's suits are expected to be even higher next fall, because Uncle Sam has been buying virtually all the wool produced in this country in the last four years -- and buying at much higher than market prices. When the government sells this wool, it must sell it at the market price. This usually means selling at a loss.

The wool growers also insist upon an addition to the present 34c a pound tariff on wool and a floor tax on all imported wool in this country. These measures would impose additional burdens on the consumer and would drive even higher prices of woolen goods, which manufacturers and dealers would like to produce. These proposals were a serious handicap to our delegates at the recent Geneva trade barriers. They run counter to our reciprocal trade program and to the President's efforts to get prices down from their wartime levels.

Both the government's wartime wool imports and its buying up of the domestic clip at above-market prices may have been justified when a big wool supply was needed to clothe and supply our armed forces -- though it turned out that these measures brought a bigger stockpile than was needed. Yet the war is over now, and the nation must return to a peacetime economy.

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From Columbia (S.C.) State, May 23 -

DESTRUCTION OF POTATOES - Editorial - The Department of Agriculture admits that Canada grown potatoes are being sold in the South while produce from this section have been destroyed because they were of inferior quality and no one would buy them. Some 11,500 bushels are said to have been burned.

No doubt the little culls could not find a market in the general sense. At the same time our armed forces face the threat of food riots in Germany because the Germans are hungry.

It is to be expected that some red tape would attach to any effort to have the Southern culls shipped overseas in order to stop European hunger. At the same time it is difficult to believe that a certain amount of enterprise on the part of the proper authority would not have snipped this red tape, at least to the point of having the potatoes stored or dehydrated, for which they would have served.

It would have been a good day's work.

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From Montgomery (Ala.) Advertiser, May 22 -

WASTE NOT, WANT NOT - Editorial - There is so much stark need of food in various parts of the world it is strange that the American farmer should be forced to destroy what he cannot dispose of in glutted home markets. Something is radically wrong with our present system of distribution and storage when it becomes necessary for growers to burn potatoes here in Alabama or expose perishable grains to the elements in Minnesota and the Dakotas because these foods are not in immediate demand here at home. Something, too, is wrong with our international relief organization if it cannot find some way to siphon off the American surplus to those countries most in need of what our producers are having to throw away.

If it is up to us to prevent starvation in Europe, why not ship Baldwin's excess potatoes and Squeedunk's extra wheat to hungry Britain or France or Holland or even Germany and Italy? This vast foreign market could absorb everything we produce in the way of unneeded surpluses. If immediate transportation is impossible, we should have no insoluble problem in so far as storage is concerned. In this age of quick-freezing and long-keeping, it is inconceivable that anything except very perishable foodstuffs should be allowed to spoil. Hungry people should be glad to get any surplus at reduced prices that would certainly please producers better than if they had to stand a dead loss by exposure of inexcusable destruction.

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From Boston (Mass.) Globe, May 22 -

SLIGHTLY COCKEYED ECONOMY - Editorial - At direction of the Federal Agriculture Department, kerosene has lately been poured upon tons of Alabama's seasonal potato crop rated as "surplus" because of a "glutted" market. This act repeated the process by which, last December, hundreds of thousands of tons of the proudest product of Maine's Argoostook County were left in the fields to freeze and rot. The theory is that such governmental action sustains a fair price-level for the farmer.

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From New York Herald Tribune, May 19 -

CLAY STRIVING TO TELL GERMANS OF U.S. FOOD AID; FULL-SCALE PUBLICITY DRIVE IS ORDERED TO COUNTERACT REDS' HUNGER PROPAGANDA - Berlin - General Lucius D. Clay disclosed today that he and his staffs have started an extensive campaign by press and radio to tell hungry Germans the "full story" of American efforts to provide them with food. One purpose, he said, was to counteract Communist propaganda stressing the food shortages in the western occupation zones.

The American Military Governor said he had ordered his staffs to undertake a full-scale information campaign by press and radio

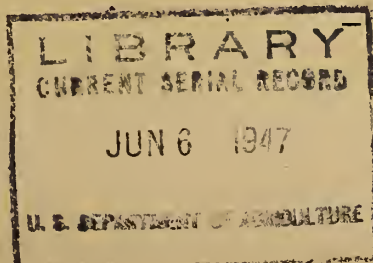
PARTY CHIEF URGES EFFORT - Berlin - Kurt Schumacher, chief of the Social Democratic party, has asked his followers to do their utmost to turn in surplus foods, it was disclosed today. "The fixed percentage of farmers' deliveries should be increased," he was quoted by his deputy, Friedrich Heide, as saying. "In the country it is not unusual to bake a wonderful cake while people in cities are starving.

"We have no moral right to ask for relief from foreign countries if we don't make every possible effort to help ourselves."

30,000-TON DISTRIBUTION - Washington - The American Military Government will distribute 30,000 tons of food from special stocks set aside "for prevention of disease and unrest," in an effort to combat the German food crisis.

NO PREFERENTIAL FOODS FOR JAPAN TO BE SOUGHT - New Delhi - General Douglas MacArthur does not seek preferential treatment for the Japanese in the importation of food, Willard Egckvist, chief of price control and rationing division of Allied Headquarters in Japan, said today. He is here for the United Nations Food and Agricultural Organization's rice conference.

SIAM COMMANDEERS RICE - Bangkok (UP) - The government of Siam began to commandeer rice today in order to thwart merchants and millers who have been hoarding in anticipation of higher prices.



Farm Digest 1015-47

From New York Journal of Commerce, May 19 -

WORLD SUGAR SITUATION - Despite world-wide efforts to increase food production, the early crop outlook is for only a slight increase for the new crop year, according to Office of Foreign Agricultural Relations. Several importing countries will show a decline in grain production. Credits will be one of the major factors in foreign trade in farm products.

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SUGAR DEMAND - Demand for sugar at the weekend was reported to be showing some natural pick-up based on improvement in weather conditions and not related to recent action taken by Washington. . . . World sugar production is substantially above a year ago, with the progress toward recovery of the European beet industry substantial.

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CORN IN THE LIMELIGHT - Corn steals center of grain futures stage as prices advance sharply on buying stimulated by small country offerings, an active cash demand, and talk of possible relaxation of export controls to permit sales for feeding abroad. New crop wheat also is strong, but May contract is fractionally lower.

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FERTILIZER USE JUMPS 13 PER CENT - Washington - More commercial fertilizer was used by American farmers in 1946 than in any previous year, the National Fertilizer Association reported over the week-end.

Maurice E. Lockwood, president of the association, made public the association's annual report on consumption which shows that approximately 14,900,000 tons were used in 1946, representing an increase of 1,700,000 tons or 13 per cent. Above 1945, the previous all-time peak. Consumption last year was more than twice as large as the average annual consumption in 1935-1939, the period immediately preceding the outbreak of World War II.

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From Chicago Daily Tribune, May 19 -

RETAIL FOOD PRICES SLIP, OFFSET OTHER CONSUMER INDEX RISE - Washington - The Bureau of Labor Statistics yesterday reported retail food prices dropped 0.8 per cent between mid-March and April 15, the costs of other living essentials continued to advance.

In preliminary estimates on retail prices of goods and services bought by "moderate income city families," the bureau said overall consumers' prices dropped slightly after hitting a record high in March.

The decline in retail food prices more than offset advances in other living essentials which averages less than 0.5 per cent. The consumer's price index dipped from the mid-March high of 156.3 to an estimated 156 in mid-April. The index had remained slightly over 153 from mid-December to mid-February, but rose in March.

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From Kansas City (Mo.) Star, May 9, -

READY FOR GRAINS; KANSAS CITY STORAGE FACILITIES ARE IN BEST CONDITION EVER FOR BIG TASK - Kansas City's giant grain storage facilities are being put in shape for the task of handling an expected record wheat crop which will begin moving late next month.

And the network of yawning bins never has been in a better position to do the job. Elevators throughout Greater Kansas City, with a total capacity of 61,232,000 bushels, already are as empty as they ever have been, operators report.

A large part of the 5 3/4 million bushels of grain now in storage belong to the government's Commodity Credit corporation and contracts call for it to be moved for export before the 1947 wheat rush begins.

That every bit of available storage space, not only in the immediate Kansas City area but also through Kansas, will be needed is a conceded fact. The anticipated bumper crop, coupled with a shortage of boxcars for moving the wheat from the harvest areas, makes that certain.

From Baltimore (Md.) Sun, May 13 -

\$4 U.S. WHEAT SEEN IF EXPORT CONTROL ENDS - Washington - American wheat prices may rise to new peaks of \$4 a bushel in competition with grain from the Argentine if export controls are permitted to lapse at the end of next month, spokesmen at the International Emergency Food Council predicted today. Both import and export controls are scheduled to expire June 30 unless Congress acts to continue them. A bill for continuance of export controls for another year now is being considered by a subcommittee of the House Armed Services Committee.

From St. Louis (Mo.) Star-Times, May 10 -

U. S. TO LOSE \$42 MILLION BY SUPPORTING EGG PRICES UNDER POLICY ORDERED BY CONGRESS - Washington - About a quarter of the \$333,000,000 requested by the administration to support agricultural prices during the fiscal year 1948 will be used to buy eggs.

It is estimated the government will lose \$42,899,000 on the egg deals. The purchase of eggs to keep the price up is a commitment made by Congress, not the whim of some bureaucrat in the Department of Agriculture, as some critics would like to picture it.

To meet war needs the government requested expansion of production in 14 farm commodities, including eggs. Congress passed the so-called Stagall amendment guaranteeing price support on these commodities. Prices, under the law, must be supported at not less than 90 per cent of parity or comparable price for two years after the declaration of the end of hostilities -- that is until December 1, 1948.

From Philadelphia (Pa) Bulletin, May 13 -

WOOL DANGER; TARIFF CAN CAUSE VAST DAMAGE - Washington - The hearings upon the reciprocal trade treaties before the Ways and Means Committee of the House are dramatically demonstrating that American farmers not only gain nothing by tariffs on their produce but are curtailed and impoverished by all tariffs, their own included.

Here is a typical example. Recently the wool growers of the West made such a hullabaloo that the committee not only voted to retain a great import duty on wool but to add a national subsidy to maintain an even more exorbitant price for the domestic product.

Now let's see how this helps the farmers of the Nation.

Today 80% of all wool used in this country is imported. So the consequence of this alleged help is that while a small group is enriched, every other farmer, as well as the rest of the population, pays through the nose not only for the small amount of wool the West produces but for the 80% they do not produce. It is estimated that by the time this cost is reflected in the clothing of the Nation, the people pay something like six times as much in extra expense as the total gross value of all the wool grown in the United States.

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From Dallas (Tex.) Times-Herald, May 8 -

THIS NATION WILL DECLINE IF SOIL LOSS CONTINUES - Editorial - During the last two decades the general public has begun to give soil conservation the attention it deserves, but many individuals, particularly city dwellers still think of it as a pet hobby of theorists and chronic worriers.

Land, at the beginning, was the most plentiful resource of this nation. Naturally, it is difficult for us to appreciate the fact that we have lost hundreds of billions of dollars worth of soil and that the time has arrived for energetic conservation.

It is high time for us in Texas and for citizens of nearly all other States, to realize that one of the most important, if not absolutely the most important, tasks for this country is to conserve and rebuild the soil. If this task is neglected, ultimate decline of the nation is inevitable.

Dr. H. E. Bennett, chief of the Soil Conservation Service, is now in Texas checking up on the progress that has been made toward prevention of soil erosion and on the need of additional measures to forestall this loss of vital capital wealth.

Much good can be done by the federal agency headed by Dr. Bennett, but results will fall short unless the state and local effort supplements the federal activity. Certainly, nothing worthwhile can be accomplished without wholehearted cooperation among land owners.

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From Buffalo (N.Y.) Courier-Express, May 12 -

FOOD FOR WHOM? - Editorial - A slight contrast in methods of treating a defeated nation is provided by the current situation in Romania.

Famine is rife in large sections of Romania. To relieve it the United States has poured in large quantities of grain and other emergency food supplies. To increase it Russia has levied a demand upon Romania for 400 carloads of white flour to help feed 250,000 Russian occupation troops.

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From New York Herald Tribune, May 21, 1947

U.S. BRITAIN ACT ON ZONAL FOOD STRIKES: COLLECTIONS FROM FARMS STEPPED UP BY 'FLYING SQUADS' OF INSPECTORS-Berlin-The military governors of the American and British occupation zones in Germany today urged Germans not to engage in strikes or demonstrations in protest against the food crisis.

"It is useless and childish for those who claim to lead^{or} organize the people to lay the blame for current privations on Allied shoulders," declared a joint statement by General Lucius D. Clay and Air Marshal Sir Sholto Douglas. "They should realize that any such gestures as the relinquishment of their functions or the organization of mass demonstrations, particularly in working hours, cannot have the slightest influence on imports of food."

U.S. ZONE BANS CIGARETTES AT BARTER MARKET: THEY WILL NOT BE ACCEPTED IN TRADE-Frankfurt AM Main-The United States Army struck another blow at the "cigarette economy" in occupied Germany today by announcing that no cigarettes will be accepted in trade at Army sponsored barter markets after June 1. The order followed by twenty four hours a War Department ban on private importation of cigarettes into American occupied Germany after next Monday.

POTATO DESTRUCTION ASSAILED IN HOUSE: SURPLUS DISPOSAL ATTACKED, NEEDS OF HUNGRY CITED-Washington-Representative J. Caleb Boggs, Republican, of Delaware said today that the government is destroying potatoes as "surplus" when a retail price of "nearly \$6 a bushel" makes it difficult for "low income people" to buy them.

"This whole business makes my blood boil." Representative Boggs told the House, as he waved two exhibits: 1. A news picture from Foley, Ala., showing kerosene being poured over fifty tons of Alabama grown potatoes because of a glutted market.

2. A grocery stores receipt made out to Representative Boggs showing he had recently purchased ten pounds of white potatoes for 97 cents.

Representative Boggs said that the Administration "is spending the taxpayers' money to destroy the food which hungry peoples need and which many low income people in our own country are having great difficulty in buying."

U.S. EXPORTS SHOW 15% RISE IN MARCH: SHIPMENTS TO ALL PARTS OF WORLD REPORTED UP-Washington-Increased shipments to all parts of the world marked the 15 percent rise in March exports to a total of \$1,327,300,000 the Commerce Department reported today.

From New York, Herald Tribune, May 21 -

ASK PACKERS FOR 15-CENT RISE-Chicago-The Congress of Industrial Organizations United Packinghouse Workers today notified six leading meat packers of reopening of contracts with the aim of obtaining a 15 cents an hour wage increase for 80,000 workers.

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From N.Y. Journal of Commerce, May 21 -

SUGAR CONTROL END SOUGHT IN SENATE: SENATORS INTRODUCE BILL TO DISCONTINUE RATIONING IMMEDIATELY-Washington-Senators McCarthy (Rep. Wis.) and Bricker (Rep. Ohio) today introduced legislation to end sugar rationing immediately.

"I am confident Congress will pass this," McCarthy told reporters. "There is already such a surplus of sugar that it is now backing up in warehouses." McCarthy said he will ask the Senate Banking Committee for an immediate hearing.

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CANNED FOOD SHIPMENTS-March showed a continued downward trend in canned food shipments, the Census Bureau reports. On a per diem basis, they were down 14 percent from February and $7\frac{1}{2}$ percent below the 1944-45 average. Cumulative shipments from Jan. 1 were 20 percent below last year. Production, while up for the month, is running behind a year ago also.

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GRAIN ADVANCE-Wheat and corn futures register advances of 5 cents or more per bushel with a broad volume of buying and short covering influenced by absence of May contract tender, export needs, and rust talk from the Southwest. Bullish sentiment is furthered by reports of Government grain and flour purchases, mill buying of wheat against flour export sales, and further unwanted grains over considerable portions of the grain belt.

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CONSUMERS CHIDED ON PRICE DEMANDS-Pittsburgh-Despite real earnings that are 50 percent higher than those in the mid twenties, consumers expect sharply lowered prices. Martin Gainesbrugh, chief economist of the National Industrial Conference Board, today told the Midwestern spring conference at the Controllers Institute of America.

Various local experiments made by retailers disclose that shoppers expect cuts ranging as deep as 25 to 30 percent, he said.

"Although consumers recognize in many instances that the prices of their labor services to the economy have gone up, they still compare the cost of today's car with that of 1941, or of today's shirt at \$3.95 with its counterpart of \$1.60 prewar", he said.

"Yet few consumers would be willing to accept their income status of 1939 as desirable; few distributors or manufacturers would prefer the business environment of 1939 to that of today."

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From La Crosse (Wis.) Tribune, May 12 -

SCHOOL PUPILS STUDY EROSION; VISIT COUNTY FARMS WITH SOILS EXPERTS - A large number of the upper grade pupils of the La Crosse county rural schools and their teachers took advantage of studying soil conservation in the field the past week. Arrangements had been made through the cooperation of the county soil conservation service, county extension office and the county superintendent of schools for these grades to meet at one of five places for "on the field instruction."

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From Springfield (Mass.) Union, May 15 -

MORE SUGAR - Editorial - First repercussion from Washington from the better sugar outlook was to validate the second sugar stamp Spare No. 12, good for 10 pounds, on June 1 instead of July 1 as originally scheduled. The idea is to deplete warehouse supplies in readiness for future crops while box cars are still available.

Moreover, third-quarter allotments for industrial sugar were advanced from June 10 to June 1. Naturally, there are demands in Congress for an end to all sugar controls, scheduled to expire Oct. 31 in any event. Department of Agriculture spokesmen believe, however, that despite better prospects from the Cuban crop, it would be wise to wait another month to see what effect rains may have on the world yield.

Congress will be in position to evaluate the prospective supply situation for 1948 and decide what further action may be necessary. It wants to avoid a speculative orgy that will raise prices and snatch sugar off our dinner tables. We should like to see controls removed if that is possible, but there are many factors involved.

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From Waterloo (Iowa) Courier, May 11 -

FARMERS GETTING RICH ON SUBSIDIES? - Editorial - Sen. Milton R. Young of North Dakota said last week that, "I have been greatly concerned and alarmed at all the adverse publicity agriculture has been receiving in the past months. . . . Through this publicity, the consumer is led to believe that our government is using the United States treasury, in a big way, to raise farm prices, at a time when a drive is being made to reduce industrial prices. . . ."

The farmer, certainly, is prosperous today and has received as much of an increase in his annual net income as other groups in the population. He is receiving his share of the increased cost of food along with others who handle his product on the way to the consumer. But these high prices are not of his choosing, as the support level proves, and they are largely beyond his control. It would be extremely unfortunate for farmers and the nation as a whole if these food prices caused the general public to oppose long-range governmental farm programs out of a mistaken notion that they are the cause of this current inflation.

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From Philadelphia (Pa.) Bulletin, May 16 -

SOUND CROP INSURANCE - Editorial - Efforts to work out a practical scheme for insuring farm crops are being revived, after failure of the system in effect for nearly ten years. Cost to date has been about \$110,000,000.

In an effort to cut down losses, the House Agriculture Committee has decided that the 1948 program should be limited to experiments devoted to finding a plan financially sound and at the same time attractive to farmers.

The ideal arrangement would be one that would attract private insurance companies with rates that farmers could afford to pay. So far nothing of the sort has been devised.

Weather and pest hazards make crop growing a greater gamble than insurance companies want to take at low premium rates. The House Committee has in mind experimentation that would allow private companies to underwrite part of the program, with government reinsurance to guard them against excessive losses.

Crop insurance is a sort of Utopian idea, and is a broad field for further experiment, particularly in view of experiences with one version of it during nearly a decade.

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From Minneapolis (Minn.) Tribune, May 13 -

RISING LAND VALUES - Editorial - As the nation's farmers become aware of the fact that the years of good prices for their farm products may be numbered, there is growing concern over the sharp increases in the value of farm land.

The Department of Agriculture reports that farm land prices went up another 13 per cent in the year ended March 1, bringing the average market values for such land to a point 93 per cent above the 1935-39 average.

Average farm land values for the United States as a whole now are only 6 per cent below the peak of 1920. In 24 states, farm land was selling at more than 1920 level last year.

There are many reasons for the increased prices, of course. Big city incomes have been responsible for some of the increase. High farm product prices have contributed, both through the ability of farmers to buy and through the needs of many for additional land. And easy credit in recent years has had some effect, too.

The national situation is not good. Some of the sharpest increases in land values have occurred in states where the land does not justify the present high level of prices.

It is significant that farmers in the Upper Midwest, who were burned badly in the collapse of land values in 1921 and succeeding years, have not been taken in this time. True, land values in this region have gone up, too. But it was in this area that land values dropped most sharply. There is some justification for the rise, therefore, because it means that land values now are closer to true worth.

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From New York Times, May 23 -

COSTS IN GERMANY ON U.S. SEEN RISING; \$750,000,000 PREDICTED IN '48 FOR FOOD AS EXPORT PLANS LAG, ALLIES LACK DOLLARS--Berlin, AP--As ships from America unloaded food in German ports today, United States economists predicted that American taxpayers would have to foot a bill of \$750,000,000 in 1948 for feeding 46,000,000 Germans in the western zones.

Col. Hugh B. Hester, chief of the food and agricultural branch of the American Military Government, said he believed the peak of the food crisis in western Germany had passed. He said gradual but substantial improvement was expected between now and the next harvest.

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STARVATION PERIL IS SEEN IN EUROPE; AMERICANS MUST ACT QUICKLY IF DEMOCRACY IS TO SURVIVE, CARE OFFICIAL SAYS - Americans must wake up to the fact that much of Europe is still on the verge of actual starvation, Paul Comly French, general manager of the Cooperative for American Remittances to Europe said yesterday.

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VETO OF WOOL BILL IN PRESENT FORM SEEN--Washington, AP--Representative John W. McCormack of Massachusetts predicted today that the wool bill will be vetoed if sent to President Truman in its present form. As debate on the measure got under way in the House, he read from a letter which he had received from Under-Secretary of State Will Clayton, in which the latter expressed opposition to certain features of the bill and said that if they were adopted "we stand convicted of insincerity in our trade talks."

Mr. McCormack advocated adoption of a Senate-passed wool bill or an amendment which Representative C.A. Herter of Massachusetts said he would offer.

The Senate bill provides for continuation of the Government wool purchase program at 1946 market prices. The proposed Herter amendment would guarantee growers a return of 90 percent of parity, a figure which he said would be only slightly less than the present world market price level. The bill before the House would guarantee wool growers about 42 cents a pound.

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FOOD EXPORTS SHOW DROP; \$35,140,000 DECLINE IS REPORTED IN QUARTER BY GOVERNMENT--Washington, AP--Exports of food from this country during the first quarter of this year dropped \$35,140,000 under the first quarter of 1946, the Commerce Department reported today.

Total for that period was given as \$614,998,000 including lend-lease and UNRRA shipments, which have declined considerably in 1947.

Food imports during that period increased 36.7 percent over a year ago and reached a value of \$421,094,000.

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From New York Times, May 23 -

FARMERS OF WORLD ADOPT A PROGRAM; FEDERATION AT HOLLAND MEETING AGREES ON PLANS FOR WIDER PRICE, HEALTH STANDARDS--Scheveningen, the Netherlands--The International Federation of Agricultural Producers announced this afternoon the results of policy negotiations carried on over the past ten days. This marked the highlight and was virtually the finale of the first regular conference to be held by the group, established a year ago.

"It is the duty of the federation not only to primary producers but to the world as a whole to formulate precisely the views of its members on the world production, distribution and consumption of foodstuffs and on measures that will achieve universal and lasting prosperity," the policy committee report said.

It will be the purpose of the federation to extend agricultural production to ~~meet~~ **consumer** needs, to campaign for annual surveys of production programs, to restrain competition so as not to "endanger the position of those who do not have speedy access to capital mechanization or inorganic fertilizers," and to create an orderly system for the handling and distribution of temporary surpluses.

Also to see that "provisions of food from whatever source for the attainment of a health standard" must be a Government responsibility; to see that farm wages compare favorably with those "of others of equal capacity."

The federation is resolved to become an "effective and powerful influence for good" in the world; to strive for greater stability of world price and employment levels, and to advocate most strongly the negotiation of agreements for suitable staple commodities on a multilateral basis." It was affirmed that a wheat agreement should be signed soon.

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PREDICTS PRICE DROP ON FOODS IN SUMMER--Washington, AP--The Bureau of Agricultural Economics maintained today that retail food prices would decline slightly this summer and fall.

In a review of the national food situation issued today, the bureau said that foods which were likely to become cheaper included evaporated milk, cheese, most fresh and processed fruits and vegetables, fish and cereal products.

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From the Wall Street Journal, May 23 -

MEAT PRICES; LIVESTOCK MEN THINK THEY ARE DUE FOR NO BIG DROP THIS YEAR--Wichita, Kan.--There's only a slim chance the cost of meat will deflate substantially before another year, say the men who produce it.

Livestock commission men at this market who talk every day with the men who are engaged in manufacturing meat on the hoof cite these causes for continued high prices. Shortage of hogs and sheep, strong financial position of farmers, high purchasing power of city folk, income taxes, the weather and the government meddlers.

"It could be another story if six million men or so should lose their jobs," commented Jeff King, livestock commission merchant, "but we hardly expect that. As long as wages and other income go high, the people are going to eat meat, no matter what the price. They like it and won't do without it unless they must."

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From Hartford (Conn.) Times, May 19 -

FARM LAND 'BOOM AND BUST' - Editorial - The value of farm land in the nation has nearly doubled since 1940. It is still rising.

President Truman is alarmed. At his suggestion the Secretary of Agriculture has called a comprehensive conference for June 9 at Washington. These officials fear a "bust" after the present boom.

They remember the serious collapse after the first World War which brought on a wave of farm mortgage foreclosures, during the '20's, closed hundreds of banks and contributed heavily to the depression of the '30's.

Farm profits are pushing up farm land values. Wartime ceiling prices were moderate but yields were high, thanks to good weather. Profits were high.

After removal of ceilings, prices have kept rising due to world hunger and heavy export shipments. Again the wheat outlook is excellent. Large farm income is in the making.

It may be doubted that anything can stop the rise in farm land values except the lowering of prices of farm products. The conference will raise warning signals. They may do some good but so long as the grower receives high prices at delivery point of his products he will not be greatly frightened by warnings.

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From Nashville Tennessean, May 18 -

ON SAVING THE BARN - Editorial - It is not the going up that hurts in land values. It is the coming down that can bring poverty and suffering to the whole farm population as well as to land speculators. President Truman's concern on this score is fully justified. So is the June conference which the Department of Agriculture has called to discuss what can be done to put a stop to further land price inflation and mitigate the consequences of a collapse in land prices.

Rise in land values is an unmitigated evil. It makes the burdens of farm operators greater. It results in unearned income to owners who cash in on the gains. It invites wild speculation that discourages legitimate farm ownership at a time when farm operators are otherwise in a position to acquire homesteads. It increases the vicious evil of absentee ownership. The collapse of land values pulls many farmers into the maw of debt and heavy mortgage service.

The unfortunate consequences of a collapse of rural land values are not restricted to the farm sections. The decline in the purchasing power of agrarian America after 1920, partly through the shift of production to servicing of inflated mortgages, was one factor that brought on the 1929 depression. Though farmers have avoided some of the pitfalls in this war into which they fell in World War I, they still cannot avoid a depression into which a land bust would thrust them. Another agricultural depression will contribute to another industrial depression.

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From Lancaster (Pa.) Intelligencer Journal, May 16 -

WARN TOBACCO GROWERS AGAINST TOO-LARGE CROPS - Warning against "over-planting" of the 1947 tobacco crop was sounded Thursday by officials of the Lancaster County Tobacco Growers' Cooperative Association to its members, citing the big slump in cigar consumption throughout the country since the first of the year.

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From Minneapolis (Minn.) Tribune, May 13 -

PRICES TO HOLD STEADY, CARGILL EXPERT ASSERTS. - A Minneapolis grain man, E. J. Grimes, vice president of Cargill, Inc., did not agree Monday with Loy's prediction of a drastic drop in the price of wheat.

Grimes said he believed the price would hold fairly steady for at least another six months or possibly a year.

He said three factors must be considered in forecasting a drop. They are the rate at which farmers will sell their wheat, the number of boxcars available to ship wheat to the seaboard and the extent of European demand.

Grimes said there is a "terrific" demand for American wheat abroad today and that European countries will take all the wheat the United States government will approve shipping.

The price farmers pay for other commodities will determine the rate at which they sell their grain, he said. Unless other factors in the economic field contribute to a crash in prices, Grimes said he could foresee no such marked recession in the price of wheat.

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From Cincinnati (Ohio) Enquirer, May 15 -

FARM PRODUCTION - Editorial - When agricultural interests of the United States began to work toward a planned farm crop and production program, there were many observers who insisted that such a scheme never could work. They pointed out that there are millions of farmers, large and small, across the nation; that what these men planted and harvested was their business; that any attempt to estimate or control crops would be futile.

Time is proving that such pessimistic views were not warranted. As years pass, United States agriculture is establishing itself on an increasingly substantial and efficient basis. We know now that plantings can be controlled, within certain limits; that we can plan ahead to meet the nation's essential food needs. We have shown, beyond any shadow of doubt, that our farmers, on advance notice, can -- and will -- produce items necessary to industry as well as for our tables; produce them in quantities sufficient for virtually any demand. Two generations ago such feats would have been possible.

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From Waterbury (Conn.) Republican, May 15 -

MORE SUGAR - Editorial - Announcement that sugar ration stamp number 12 will become valid on June 1 instead of on July 1 will be good news to American housewives. It is good news to countless thousands of men and women in the starvation areas of Europe, too, although they probably won't hear of it soon.

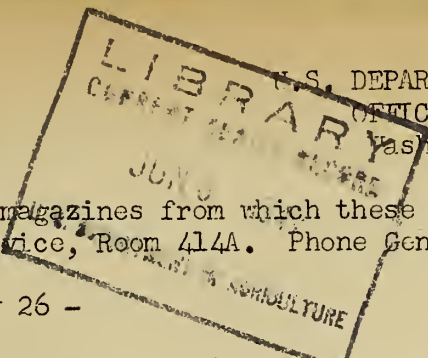
The good news is the unexpectedly good sugar crops are predicted in Cuba, Puerto Rico, the Virgin Islands and Hawaii. In Cuba for instance, the best crop since 1925 is anticipated.

It has been estimated that by the end of this year the United States, through already existing purchasing agreements, may be in control of more than nine million tons of sugar. Our average pre-war consumption was somewhat over six and a half million tons annually. The next six weeks of weather in the sugar growing areas are a major factor in the actual outcome of this year's cane crop, but the prospects are good in any event.

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DAILY FARM NEWS DIGEST
(For May 26, 1947)



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, May 26 -

CLARK SAYS RUSSIA VIOLATED PLEDGES, GOT AUSTRIA'S FOOD-Gen. Mark W. Clark, in a radio speech last night, accused the Russians in Austria of illegal confiscation of Austrian cattle, food and other resources and of exporting surpluses above their own needs in direct violation of the Potsdam agreement.

"The Soviets in Austria have not cooperated with the other occupying powers in accordance with the solemn pledges all of us made to the world for its future peace and prosperity," Genal Clark declared in a broadcast over the Columbia Broadcasting System.

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GERMAN FOOD NEED LIKELY TO CONTINUE: LITTLE CHANCE OF IMPROVEMENT FORESEEN-Berlin-Food and agriculture experts here believe that the current food crisis will prove to be chronic until at least the fall of 1948.

Even increased imports from the United States, they point out, can only prevent starvation, nothing more. Harvests will raise periodically the indigenous sources and thus individual rations, but they cannot bring the daily caloric ration much higher than the present 1,550, it is believed.

The future outlook is further darkened, not so much by the inability to increase local food production as by the general food agricultural forecasts throughout the Northern Hemisphere. This means, it is pointed out, that even increased dollar credits through the bi-zonal export-import program would not solve the question as to which countries most deserve the United States output.

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50% WOOL TAX SEEN IMPERILING TRADE: AUSTRALIAN INTERESTS FIND U.S. LEVY INCONSISTENT WITH PURPOSES OF GENEVA-Sydney-Wool interests said today that if the Senate passes and President Truman signs a bill imposing a tariff up to 50% on wool imported into the United States, the whole international trade conference at Geneva will be imperiled.

Comment here followed the same lines as that of the bill's opponents, when it was passed in the House last Friday; that such a measure was almost hypocritical at a time when the United States was trying to lower international trade barriers.

If the measure were finally enacted into law, wool interests said, the U. S. could not meet Australia's reciprocity proposals at the conference.

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FINLAND WILL TRY SOVIETIZED FARMS: THE RUSSIAN COLLECTIVE SYSTEM TO BE INTRODUCED THERE ON EXPERIMENTAL BASIS-Helsinki-The Soviet Union's system of collective farming is about to be introduced experimentally here.

The experiment is part of an extreme Leftist scheme to socialize agriculture completely on the Russian pattern. It follows the land reform that chops up big and medium-sized estates.

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From New York Journal of Commerce, May 26 -

SUGAR POSITION CHANGES-The sugar position is now reversed. Refiners importers a week ago were crowded with surplus supplies, but today the refiners on some packages are behind on orders as the demand widens with improved weather and prospect of a heavier call for sugar as new stamps become available on June 1.

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CANNED FOODS-With the citrus juice packing season almost ended, carryover stocks in Florida canners' hands appear to be moderate, with orange juice holdings at about two and one-half months supply, blended at three months and grapefruit juice at five and one half months. Meanwhile, Coast fruit canners are inclined to hold back on new crop plans due to price uncertainties. Early salmon catches on Columbia River have been disappointing.

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FARM FUNDS CUT CALLED 'DYNAMITE'-Washington-Senator Aiken (Rep. Vt.) asserted today that the 32 percent cut in Agriculture Department funds voted by the House Appropriations Committee would "blast the Republican Party off the map" if finally passed by Congress.

Aiken, who often votes counter to the majority of his party colleagues, told a reporter he thinks there is "political dynamite" in efforts to cut farm program expenditures.

"I think that a 20 percent reduction in administrative expenses can be made without hurting anything," he said "but if the action of the House Committee in scuttling some of these Government programs stands, it's going to blast the Republican party off the map."

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From Wall Street Journal, May 26 -

FREIGHT SHIPMENTS will continue at near record levels, the American Association of Railroads predicted. It said heavy summer loadings of perishables beginning in mid June, will bring a tightening in the refrigerator car supply. But the most critical problem now in sight, it added, is the heavy demand for box cars to load the record winter wheat crop, due to start moving in a few days. The grain loading roads have already accumulated 5,000 empty box cars but more will be needed.

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THE U.S. AND BRITAIN will issue an important statement on Germany tomorrow. Lord Pakenham, British Minister to Germany, announced the event, which he said would usher in "a new era" in the history of the British and American occupation zones. Washington sources, meanwhile, hinted the two countries would announce a program of increased production in their occupation zones, without waiting for Russia to join a Big Four agreement on Germany. The statement probably will be issued jointly by the U.S. and British occupation commanders, who will meet tomorrow in another conference on Germany's critical food shortage.

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From The Grand Rapids (Mich.) Press, May 21 -

DRIVE HURTS FOOD TRADES - President Truman's campaign to reduce prices has raised havoc temporarily with some branches of the food business, according to reports from reliable sources.

Many wholesale grocers have withdrawn from the market until they have liquidated inventories. Even though they are completely sold out of some items, grocers are reported to be refraining from reordering until inventories of competing items are reduced or completely liquidated.

One food packer said "there seems to be a determined effort on the part of both wholesale and retail grocers to empty their shelves of a lot of so-called 'cats and dogs'."

A cherry packer reported that pie bakers deliberately tried to break the market on the crimson fruit by refusing to buy. The industry found it necessary to create a consumer demand for cherry pie to force pie bakers back into the market. Prices now have stabilized at two-thirds last fall's wholesale market.

Food industry leaders are fearful that the nationwide drive to liquidate inventories will eventually bring a flood of buying orders into the market and another inflationary price boom.

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From St. Paul (Minn.) Pioneer Press, May 21 -

LESSON OF POTATOES - Editorial - The present potato price squeeze on consumers teaches a vital lesson about Washington administration of the federal farm programs.

That lesson is being driven home right now by the impact on agriculture of two serious blows in Congress. The first is the drastic cutting to be recommended very soon by the House Appropriations committee of farm funds including those for soil conservation, crop insurance, school lunches and farm marketing research. The second is the decision, despite warnings of Senator Thye and others to postpone enactment of permanent farm legislation at least until next year.

The great lesson being taught by the backfire of the potato program is that the basic though unwritten rule of democratic government applies to the farm programs as to all others which are devised to aid economic or other groups.

The basic requirement is that of reasonableness. Whether they happen to be in the interests of business or labor or agriculture, the protective programs must be applied administratively in ways that are reasonable in the light of the general public interest.

The Washington administration of the potato program has not been reasonable, in the respect that big scale government destruction of potatoes has now contributed to scarcities pushing consumer prices of old potatoes up to the neighborhood of 6 cents a pound and of new potatoes higher right here in the midst of a surplus potato region. And one disturbing thing about it is that, in spite of the demonstrated public resentment against the destruction of 1946 crop potatoes, the same process of destruction now is starting all over again in the South as affecting the new 1947 crop. The price of those potatoes reached 9 2-3 cents a pound or \$5.80 a bushel in some Twin Cities stores Monday.

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From The Grand Rapids (Mich.) Press, May 21 -

TOO MANY POTATOES - Editorial - Those widely published pictures showing the dumping of tons of surplus potatoes probably have given most of us at least a few conscience-stricken moments. It's never easy to pass off the destruction of food-stuffs as "just one of those things," and it's even less easy with the facts of the food crisis in Europe and Asia before us.

Unfortunately, however, it isn't practical to ship potatoes abroad, no matter how much the world's hungry population might appreciate them. They are too bulky, are mostly water (at least 80 per cent) and spoil too quickly.

The potato surplus doubtless is to be attributed largely to the fact that a bumper crop was harvested last year; but it is also to be explained partly by the fact that other foodstuffs have become more abundant. In other words, potatoes are having to compete in public favor with other foods. One of these, of course, is wheat--a commodity which still is badly needed abroad and which is easy to ship.

We in the United States could aid the international program greatly, help to stabilize the potato market and avoid further waste by substituting potatoes for wheat and similar products wherever possible. In the long run we would profit financially, too, since we, through the government's price support program, will have to pay for those dumped potatoes.

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From the Times-Picayune, May 21 -

AIM IS IMPROVED COTTON IN SOUTH; RACE WITH SYNTHETICS CITED BY TECHNOLOGIST-Atlanta - The South's cotton farmers, in their race with synthetic producers, are growing fewer varieties and giving attention to quality improvement, Francis L. Gerdes, department of agriculture cotton technologist, said today.

Addressing a group of cotton leaders here, Gerdes declared quality improvement and increased research in production and marketing problems were helping cotton hold and enlarge its standing in competition with synthetics.

The trend is toward production of fewer varieties, he said. Last season more than four-fifths of the acreage was planted to only seven varieties where a few years ago more than 100 different varieties were being planted, he explained.

Gerdes, who does research work at the government's cotton testing laboratory at Stoneville, Miss., said fiber tests, a war-born practice, are helping improve the quality of the product, particularly in the development of new strains of better spinning quality.

As a result of concentration on fewer varieties and continuing fiber tests, he said, farmers are in a better position to raise cottons which are in greatest demand by textile mills.

Mechanization, he continued, is contributing to cotton's progress. The mechanical picker, he said, makes it possible to harvest cotton before too much exposure to weather.

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